



Reprinted
April 13, 1999

ENGROSSED SENATE BILL No. 260

DIGEST OF SB 260 (Updated April 12, 1999 4:11 pm - DI 98)

Citations Affected: Numerous provisions throughout the Indiana code.

Synopsis: Family and social services. Changes the name of the division of mental health to the division of addiction and mental health services. Extends the current administrative structure of the office of the secretary of family and social services until July 1, 2002. (Current law provides for the expiration of the administrative structure on July 1, 1999.) Requires the office of the secretary of family and social services
(Continued next page)

Effective: Upon passage; July 1, 1999; March 1, 2001.

Miller, Craycraft, Riegsecker
(HOUSE SPONSORS — TINCHER, BROWN T)

January 6, 1999, read first time and referred to Committee on Health and Provider Services.

January 19, 1999, amended, reported favorably — Do Pass.

January 25, 1999, read second time, ordered engrossed. Engrossed.

January 26, 1999, read third time, passed. Yeas 48, nays 0.

HOUSE ACTION

March 3, 1999, read first time and referred to Committee on Public Health.

April 5, 1999, amended, reported — Do Pass.

April 8, 1999, read second time, ordered engrossed.

April 9, 1999, engrossed.

April 12, 1999, read third time, referred to Committee of One; amended; passed. Yeas 91, nays 6.

ES 260—LS 6862/DI 98+



C
o
p
y

to implement methods to facilitate the payment of providers participating in the Medicaid program and to submit a report to the legislative council regarding such methods before July 1, 1999. Defines a therapeutic foster family home and a special needs foster family home. Establishes requirements for operating a therapeutic foster family home or a special needs foster family home, including limits on the number of children cared for and additional training for foster parents. Provides that the division of family and children may grant an exception to the maximum number of children who may be cared for in a therapeutic foster home or special needs foster home in certain situations. Prohibits the division of family and children from removing a special needs foster child or a therapeutic foster child from a foster family home in which the child is placed before July 1, 1999, due to the home's failure to meet the new licensing requirements unless the division determines that remaining in the home is not in the child's best interest. Reestablishes the board for the coordination of child care regulation, which expired November 1, 1997, for a period beginning July 1, 1999, and ending July 1, 2001. Requires the board for the coordination of child care regulation to study laws governing the regulation of child care and to make recommendations to the general assembly concerning changes in the law that the board for the coordination of child care regulation finds appropriate.

C
o
p
y



Reprinted
April 13, 1999

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

ENGROSSED SENATE BILL No. 260

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 4-1-8-1 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) No individual may be
3 compelled by any state agency, board, commission, department,
4 bureau, or other entity of state government (referred to as "state
5 agency" in this chapter) to provide the individual's Social Security
6 number to the state agency against the individual's will, absent federal
7 requirements to the contrary. However, the provisions of this chapter
8 do not apply to the following:
9 (1) Department of state revenue.
10 (2) Department of workforce development.
11 (3) The programs administered by:
12 (A) the division of family and children;
13 (B) the division of **addiction and** mental health **services**;
14 (C) the division of disability, aging, and rehabilitative services;
15 and
16 (D) the office of Medicaid policy and planning;

ES 260—LS 6862/DI 98+



of the office of the secretary of family and social services.

(4) Auditor of state.

(5) State personnel department.

(6) Secretary of state, with respect to the registration of broker-dealers, agents, and investment advisors.

(7) The legislative ethics commission, with respect to the registration of lobbyists.

(8) Indiana department of administration, with respect to bidders on contracts.

(9) Indiana department of transportation, with respect to bidders on contracts.

(10) Health professions bureau.

(11) Indiana professional licensing agency.

(12) Indiana department of insurance, with respect to licensing of insurance agents.

(13) A pension fund administered by the board of trustees of the public employees' retirement fund.

(14) The Indiana state teachers' retirement fund.

(15) The state police benefit system.

(b) The bureau of motor vehicles may, notwithstanding this chapter, require the following:

(1) That an individual include the individual's Social Security number in an application for an official certificate of title for any vehicle required to be titled under IC 9-17.

(2) That an individual include the individual's Social Security number on an application for registration.

(3) That a corporation, limited liability company, firm, partnership, or other business entity include its federal tax identification number on an application for registration.

(c) The Indiana department of administration, the Indiana department of transportation, the health professions bureau, and the Indiana professional licensing agency may require an employer to provide its federal employer identification number.

(d) The department of correction may require a committed offender to provide the offender's Social Security number for purposes of matching data with the Social Security Administration to determine benefit eligibility.

(e) The Indiana gaming commission may, notwithstanding this chapter, require the following:

(1) That an individual include the individual's Social Security number in any application for a riverboat owner's license, supplier's license, or occupational license.



(2) That a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, or any other business entity include its federal tax identification number on an application for a riverboat owner's license or supplier's license.

SECTION 2. IC 4-15-2-3.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3.8. "State service" means public service by:

(1) employees and officers, including the incumbent directors, of the county offices of family and children; and

(2) employees and officers, except members of boards and commissions or individuals hired for or appointed to, after June 30, 1982, positions as appointing authorities, deputies, assistants reporting to appointing authorities, or supervisors of major units within state agencies, irrespective of the title carried by those positions, of the division of disability, aging, and rehabilitative services, Fort Wayne State Developmental Center, Muscatatuck State Developmental Center, New Castle State Developmental Center, Northern Indiana State Developmental Center, division of **addiction and mental health services**, Larue D. Carter Memorial Hospital, Evansville State Psychiatric Treatment Center for Children, Central State Hospital, Evansville State Hospital, Logansport State Hospital, Madison State Hospital, Richmond State Hospital, state department of health, Indiana School for the Blind, Indiana School for the Deaf, Indiana Veterans' Home, Indiana Soldiers' and Sailors' Children's Home, Silvercrest Children's Development Center, department of correction, Westville Correctional Facility, Plainfield Juvenile Correctional Facility, Putnamville Correctional Facility, Indianapolis Juvenile Correctional Facility, Indiana State Prison, Indiana Women's Prison, Pendleton Correctional Facility, Reception and Diagnostic Center, Rockville Correctional Facility, Youth Rehabilitation Facility, Plainfield Correctional Facility, department of fire and building services, state emergency management agency (excluding a county emergency management organization and any other local emergency management organization created under IC 10-4-1), civil rights commission, criminal justice planning agency, department of workforce development, Indiana historical bureau, Indiana state library, division of family and children, Indiana state board of animal health, Federal Surplus Property Warehouse, Indiana education employment relations board, public employees' retirement fund, teachers' retirement fund, department of labor, Indiana protection and advocacy services



C
o
p
y

commission, commission on public records, Indiana horse racing commission, and state personnel department.

SECTION 3. IC 4-33-4-21.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 21.2. (a) The Indiana gaming commission shall require a licensed owner to conspicuously display the number of the toll free telephone line described in IC 4-33-12-6 in the following locations:

- (1) On each admission ticket to a riverboat gambling excursion.
- (2) On a poster or placard that is on display in a public area of each riverboat where gambling games are conducted.

(b) The toll free telephone line described in IC 4-33-12-6 must be:

- (1) maintained by the division of **addiction and mental health services** under IC 12-23-1-6; and
- (2) funded by the addiction services fund established by IC 12-23-2-2.

(c) The commission may adopt rules under IC 4-22-2 necessary to carry out this section.

SECTION 4. IC 4-33-12-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsection (c), the treasurer of state shall quarterly pay the following amounts:

- (1) One dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

- (i) is described in IC 4-33-6-1(a)(1) through IC 4-33-6-1(a)(4) or in IC 4-33-6-1(b); or
- (ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

- (2) One dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

- (3) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county convention and visitors



bureau or promotion fund for the county in which the riverboat is docked.

(4) Fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during a quarter shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the division of **addiction and mental health services**. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(c) With respect to tax revenue collected from a riverboat that operates on Patoka Lake, the treasurer of state shall quarterly pay the following amounts:

(1) The counties described in IC 4-33-1-1(3) shall receive one dollar (\$1) of the admissions tax collected for each person embarking on the riverboat during the quarter. This amount shall be divided equally among the counties described in IC 4-33-1-1(3).

(2) The Patoka Lake development account established under IC 4-33-15 shall receive one dollar (\$1) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(3) The resource conservation and development program that:

(A) is established under 16 U.S.C. 3451 et seq.; and



C
O
P
Y

- 1 (B) serves the Patoka Lake area;
 2 shall receive forty cents (\$0.40) of the admissions tax collected
 3 for each person embarking on the riverboat during the quarter.
 4 (4) The state general fund shall receive fifty cents (\$0.50) of the
 5 admissions tax collected for each person embarking on the
 6 riverboat during the quarter.
 7 (5) The division of **addiction and** mental health **services** shall
 8 receive ten cents (\$0.10) of the admissions tax collected for each
 9 person embarking on the riverboat during the quarter. The
 10 division shall allocate at least twenty-five percent (25%) of the
 11 funds derived from the admissions tax to the prevention and
 12 treatment of compulsive gambling.
 13 (d) Money paid to a unit of local government under subsection
 14 (b)(1) through (b)(2) or subsection (c)(1):
 15 (1) must be paid to the fiscal officer of the unit and may be
 16 deposited in the unit's general fund or riverboat fund established
 17 under IC 36-1-8-9, or both;
 18 (2) may not be used to reduce the unit's maximum or actual levy
 19 under IC 6-1.1-18.5; and
 20 (3) may be used for any legal or corporate purpose of the unit,
 21 including the pledge of money to bonds, leases, or other
 22 obligations under IC 5-1-14-4.
 23 (e) Money paid by the treasurer of state under subsection (b)(3)
 24 shall be:
 25 (1) deposited in:
 26 (A) the county convention and visitor promotion fund; or
 27 (B) the county's general fund if the county does not have a
 28 convention and visitor promotion fund; and
 29 (2) used only for the tourism promotion, advertising, and
 30 economic development activities of the county and community.
 31 (f) Money received by the division of **addiction and** mental health
 32 **services** under subsections (b)(5) and (c)(5):
 33 (1) is annually appropriated to the division of **addiction and**
 34 mental health **services**;
 35 (2) shall be distributed to the division of **addiction and** mental
 36 health **services** at times during each state fiscal year determined
 37 by the budget agency; and
 38 (3) shall be used by the division of **addiction and** mental health
 39 **services** for programs and facilities for the prevention and
 40 treatment of addictions to drugs, alcohol, and compulsive
 41 gambling, including the creation and maintenance of a toll free
 42 telephone line to provide the public with information about these



addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

SECTION 5. IC 5-1-16-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this chapter:

"Authority" refers to the Indiana health facility financing authority.

"Bonds" includes bonds, refunding bonds, notes, interim certificates, bond anticipation notes, and other evidences of indebtedness of the authority, issued under this chapter.

"Building" or "buildings" or similar words mean any building or part of a building or addition to a building for health care purposes. The term includes the site for the building (if a site is to be acquired), equipment, heating facilities, sewage disposal facilities, landscaping, walks, drives, parking facilities, and other structures, facilities, appurtenances, materials, and supplies that may be considered necessary to render a building suitable for use and occupancy for health care purposes.

"Cost" includes the following:

(1) The cost and the incidental and related costs of the acquisition, repair, restoration, reconditioning, refinancing, or installation of health facility property.

(2) The cost of any property interest in health facility property, including an option to purchase a leasehold interest.

(3) The cost of constructing health facility property, or an addition to health facility property, acquiring health facility property, or remodeling health facility property.

(4) The cost of architectural, engineering, legal, trustee, underwriting, and related services; the cost of the preparation of plans, specifications, studies, surveys, and estimates of cost and of revenue; and all other expenses necessary or incident to planning, providing, or determining the need for or the feasibility and practicability of health facility property.

(5) The cost of financing charges, including premiums or prepayment penalties and interest accrued during the construction of health facility property or before the acquisition and installation or refinancing of such health facility property for up to two (2) years after such construction, acquisition, and installation or refinancing and startup costs related to health facility property for up to two (2) years after such construction, acquisition, and installation or refinancing.

(6) The costs paid or incurred in connection with the financing of health facility property, including out-of-pocket expenses, the cost



C
o
p
y

of any policy of insurance; the cost of printing, engraving, and reproduction services; and the cost of the initial or acceptance fee of any trustee or paying agent.

(7) The costs of the authority, incurred in connection with providing health facility property, including reasonable sums to reimburse the authority for time spent by its agents or employees in providing and financing health facility property.

(8) The cost paid or incurred for the administration of any program for the purchase or lease of or the making of loans for health facility property, by the authority and any program for the sale or lease of or making of loans for health facility property to any participating provider.

"County" means any county in the state that owns and operates a county hospital.

"Health facility property" means any tangible or intangible property or asset owned or used by a participating provider and which:

(1) is determined by the authority to be necessary or helpful, directly or indirectly, to provide:

- (A) health care;
- (B) medical research;
- (C) training or teaching of health care personnel;
- (D) habilitation, rehabilitation, or therapeutic services; or
- (E) any related supporting services;

in Indiana, regardless of whether such property is in existence at the time of, or is to be provided after the making of, such finding;

(2) is a residential facility for:

- (A) the physically, mentally, or emotionally disabled;
- (B) the physically or mentally ill; or
- (C) the elderly; or

(3) is a licensed child caring institution providing residential care described in IC 12-7-2-29(1).

"Health facility" means any facility or building owned or used by a participating provider which is utilized, directly or indirectly:

(1) in:

- (A) health care;
- (B) habilitation, rehabilitation, or therapeutic services;
- (C) medical research;
- (D) the training or teaching of health care personnel; or
- (E) any related supporting services;

(2) to provide a residential facility for:

- (A) the physically, mentally, or emotionally disabled;
- (B) the physically or mentally ill; or



1 (C) the elderly; or
 2 (3) as a child caring institution and provides residential care
 3 described in IC 12-7-2-29(1).

4 "Net revenues" means the revenues of a hospital remaining after
 5 provision for proper and reasonable expenses of operation, repair,
 6 replacement, and maintenance of the hospital.

7 "Participating provider" means a person, corporation, municipal
 8 corporation, political subdivision, or other entity, public or private,
 9 which:

10 (1) is:

11 (A) licensed under IC 12-25, IC 16-21, or IC 16-28;

12 (B) a regional blood center;

13 (C) a community mental health center or community mental
 14 retardation and other developmental disabilities center (as
 15 defined in IC 12-7-2-38 and IC 12-7-2-39);

16 (D) an entity that contracts with the division of **addiction and**
 17 mental health **services** to provide the program described in
 18 IC 12-11-2 or IC 12-22-2;

19 (E) a vocational rehabilitation center established under
 20 IC 12-12-1-4(1);

21 (F) the owner or operator of a facility that is utilized, directly
 22 or indirectly, to provide health care, habilitation, rehabilitation,
 23 therapeutic services, medical research, the training or teaching
 24 of health care personnel, or any related supporting services, or
 25 of a residential facility for the physically, mentally, or
 26 emotionally disabled, physically or mentally ill, or the elderly;

27 (G) a licensed child caring institution providing residential
 28 care described in IC 12-7-2-29(1);

29 (H) an integrated health care system between or among
 30 providers, a health care purchasing alliance, a health insurer
 31 or third party administrator that is a participant in an integrated
 32 health care system, a health maintenance or preferred provider
 33 organization, or a foundation that supports a health care
 34 provider; or

35 (I) an individual, a business entity, or a governmental entity
 36 that owns an equity or membership interest in any of the
 37 organizations described in clauses (A) through (H); and

38 (2) under this chapter, contracts with the authority for the
 39 financing or refinancing of, or the lease or other acquisition of,
 40 health facility property.

41 "Regional blood center" means a nonprofit corporation or
 42 corporation created under 36 U.S.C. 1 that:

C
O
P
Y



(1) is:

(A) accredited by the American Association of Blood Banks;
or

(B) registered or licensed by the Food and Drug
Administration of the Department of Health and Human
Services; and

(2) owns and operates a health facility that is primarily engaged
in:

(A) drawing, testing, processing, and storing human blood and
providing blood units or components to Indiana hospitals; or

(B) harvesting, testing, typing, processing, and storing human
body tissue and providing this tissue to Indiana hospitals.

SECTION 6. IC 5-20-1-2 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE JULY 1, 1999]: Sec. 2. As used in this chapter:

"Assisted" means, with respect to a loan:

(1) the payment by the United States or any duly authorized
agency thereof of assistance payments, interest payments, or
mortgage reduction payments with respect to such loan; or

(2) the provision of insurance, guaranty, security, collateral,
subsidies, or other forms of assistance or aid acceptable to the
authority for the making, holding, or selling of a loan from the
United States, any duly authorized agency thereof, or any entity
or corporation acceptable to the authority, other than the sponsor.

"Authority" means the Indiana housing finance authority created
under this chapter.

"Bonds" or "notes" means the bonds or notes authorized to be issued
by the authority under this chapter.

"Development costs" means the costs approved by the authority as
appropriate expenditures and credits which may be incurred by
sponsors, builders, and developers of residential housing prior to
commitment and initial advance of the proceeds of a construction loan
or of a mortgage, including but not limited to:

(1) payments for options to purchase properties on the proposed
residential housing site, deposits on contracts of purchase, or,
with prior approval of the authority, payments for the purchase of
such properties;

(2) legal, organizational, and marketing expenses, including
payments of attorney's fees, project manager, clerical, and other
incidental expenses;

(3) payment of fees for preliminary feasibility studies and
advances for planning, engineering, and architectural work;

(4) expenses for surveys as to need and market analyses;



C
O
P
Y

(5) necessary application and other fees;

(6) credits allowed by the authority to recognize the value of service provided at no cost by the sponsors, builders, or developers; and

(7) such other expenses as the authority deems appropriate for the purposes of this chapter.

"Governmental agency" means any department, division, public agency, political subdivision, or other public instrumentality of the state of Indiana, the federal government, any other state or public agency, or any two (2) or more thereof.

"Construction loan" means a loan to provide interim financing for the acquisition or construction of single family residential housing, including land development.

"Mortgage" or "mortgage loan" means a loan to provide permanent financing for:

(1) the rehabilitation, acquisition, or construction of single family residential housing, including land development; or

(2) the weatherization of single family residences.

"Mortgage lender" means a bank, trust company, savings bank, savings association, credit union, national banking association, federal savings association or federal credit union maintaining an office in this state, a public utility (as defined in IC 8-1-2-1), a gas utility system organized under IC 8-1-11.1, an insurance company authorized to do business in this state, or any mortgage banking firm or mortgagee authorized to do business in this state and approved by either the authority or the Department of Housing and Urban Development.

"Land development" means the process of acquiring land primarily for residential housing construction for persons and families of low and moderate income and making, installing, or constructing nonresidential housing improvements, including water, sewer, and other utilities, roads, streets, curbs, gutters, sidewalks, storm drainage facilities, and other installations or works, whether on or off the site, which the authority deems necessary or desirable to prepare such land primarily for residential housing construction.

"Obligations" means any bonds or notes authorized to be issued by the authority under this chapter.

"Persons and families of low and moderate income" means persons and families of insufficient personal or family income to afford adequate housing as determined by the standards established by the authority, and in determining such standards the authority shall take into account the following:

(1) The amount of total income of such persons and families



1 available for housing needs.

2 (2) The size of the family.

3 (3) The cost and condition of housing facilities available in the
4 different geographic areas of the state.

5 (4) The ability of such persons and families to compete
6 successfully in the private housing market and to pay the amounts
7 at which private enterprise is providing sanitary, decent, and safe
8 housing.

9 The standards shall, however, comply with the applicable limitations
10 of section 4(b) of this chapter.

11 "Residential facility for children" means a facility:

12 (1) that provides residential services to individuals who are:

13 (A) under twenty-one (21) years of age; and

14 (B) adjudicated to be children in need of services under
15 IC 31-34 (or IC 31-6-4 before its repeal) or delinquent children
16 under IC 31-37 (or IC 31-6-4 before its repeal); and

17 (2) that is:

18 (A) a child caring institution that is or will be licensed under
19 IC 12-17.4;

20 (B) a residential facility that is or will be licensed under
21 IC 12-28-5; or

22 (C) a facility that is or will be certified by the division of
23 **addiction and mental health services** under IC 12-23.

24 "Residential facility for the developmentally disabled" means a
25 facility that is approved for use in a community residential program for
26 the developmentally disabled under IC 12-11-2-1(1), IC 12-11-2-1(2),
27 or IC 12-11-2-1(3).

28 "Residential facility for the mentally ill" means a facility that is
29 approved by the division of **addiction and mental health services** for
30 use in a community residential program for the mentally ill under
31 IC 12-22-2-3(1), IC 12-22-2-3(2), IC 12-22-2-3(3), or IC 12-22-2-3(4).

32 "Residential housing" means a specific work or improvement
33 undertaken primarily to provide single or multiple family housing for
34 rental or sale to persons and families of low and moderate income,
35 including the acquisition, construction, or rehabilitation of lands,
36 buildings, and improvements thereto, and such other nonhousing
37 facilities as may be incidental or appurtenant thereto.

38 "Sponsors", "builders", or "developers" means corporations,
39 associations, partnerships, limited liability companies, or other entities
40 and consumer housing cooperatives organized pursuant to law for the
41 primary purpose of providing housing to low and moderate income
42 persons and families.



C
o
p
y

1 "State" means the state of Indiana.

2 "Tenant programs and services" means services and activities for
3 persons and families living in residential housing, including the
4 following:

5 (1) Counseling on household management, housekeeping,
6 budgeting, and money management.

7 (2) Child care and similar matters.

8 (3) Access to available community services related to job training
9 and placement, education, health, welfare, and other community
10 services.

11 (4) Guard and other matters related to the physical security of the
12 housing residents.

13 (5) Effective management-tenant relations, including tenant
14 participation in all aspects of housing administration,
15 management, and maintenance.

16 (6) Physical improvements of the housing, including buildings,
17 recreational and community facilities, safety measures, and
18 removal of code violations.

19 (7) Advisory services for tenants in the creation of tenant
20 organizations which will assume a meaningful and responsible
21 role in the planning and carrying out of housing affairs.

22 (8) Procedures whereby tenants, either individually or in a group,
23 may be given a hearing on questions relating to management
24 policies and practices either in general or in relation to an
25 individual or family.

26 SECTION 7. IC 5-20-4-15 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 15. (a) The housing
28 trust fund advisory committee is established.

29 (b) The committee consists of sixteen (16) members to be appointed
30 by the governor as follows:

31 (1) One (1) member of the division of **addiction and** mental
32 health **services**.

33 (2) One (1) member of the division of family and children.

34 (3) One (1) member of the division of disability, aging, and
35 rehabilitative services.

36 (4) One (1) member of the department of commerce.

37 (5) One (1) member to represent residential real estate developers.

38 (6) One (1) member to represent construction trades.

39 (7) One (1) member to represent banks and other lending
40 institutions.

41 (8) One (1) member to represent the interests of persons with
42 disabilities.



C
O
P
Y

- (9) One (1) member to represent service providers.
- (10) Two (2) members to represent neighborhood groups.
- (11) One (1) member to represent low income families.
- (12) One (1) member to represent nonprofit community based organizations and community development corporations.
- (13) One (1) member to represent real estate brokers or salespersons.
- (14) One (1) member to represent the Indiana Apartment Owner's Association.
- (15) One (1) member to represent the manufactured housing industry.

At least three (3) members of the committee shall be from a city with a population of less than thirty-five thousand (35,000), a town, or a rural area.

(c) Members of the advisory committee shall serve a term of three (3) years. However, the governor may remove for cause an appointed member of the advisory committee and fill vacancies of appointed members on the advisory committee.

(d) The advisory committee shall make recommendations to the housing finance authority regarding:

- (1) the development of policies and procedures under section 14 of this chapter; and
- (2) long term sources to capitalize the housing trust fund, including the following:
 - (A) Revenue from development ordinances, fees, or taxes.
 - (B) Market based or private revenue.
 - (C) Revenue generated from government programs, foundations, private individuals, or corporations.

(e) The advisory committee shall prepare and present an annual report that:

- (1) describes disbursements under the housing trust fund; and
- (2) makes recommendations to the board of the Indiana housing finance authority regarding long term sources to capitalize the housing trust fund.

SECTION 8. IC 6-7-1-32.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 32.1. (a) The money in the mental health centers fund is annually appropriated to the division of **addiction and mental health services**.

(b) The division may use the money:

- (1) to pay the state's share of the cost of acquiring sites for, constructing, remodeling, equipping, or operating community mental health centers; and



(2) to provide grants for a partial facility if there is a reasonable assurance that the facility will provide community mental health services within five (5) years after it provides any partial service to the public.

SECTION 9. IC 7.1-6-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The division of **addiction and mental health services** established under IC 12-21 shall coordinate the conduct of random unannounced inspections at locations where tobacco products are sold or distributed to ensure compliance with this article. Only the commission, an Indiana law enforcement agency, the office of the sheriff of a county, or an organized police department of a municipal corporation may conduct the random unannounced inspections. These entities may use retired or off-duty law enforcement officers to conduct inspections under this section.

SECTION 10. IC 7.1-6-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. The division of **addiction and mental health services** established under IC 12-21 shall annually prepare for submission to the Secretary of the United States Department of Health and Human Services the report required by Section 1926 of the Public Health Service Act (42 U.S.C. 300x-26) and implementing regulations promulgated under that act.

SECTION 11. IC 9-18-32.2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. Effective 1-1-2000. (a) The annual fee described in section 3(a)(2) of this chapter shall be deposited with the treasurer of state in a special account. Money in the account at the end of a state fiscal year does not revert to the state general fund.

(b) The auditor of state shall monthly distribute the money in the special account established under subsection (a) to the Indiana Communities for Drug-Free Youth, Inc., or its successor organization, if the Indiana Communities for Drug-Free Youth, Inc., or its successor organization meets the following requirements:

(1) The organization is an Indiana nonprofit corporation.

(2) The organization is exempt from federal income taxation under Internal Revenue Code 501(c)(3).

However, if an organization does not meet these requirements, the treasurer of state shall create a segregated account within the addiction services fund established under IC 12-23-2-2, and the auditor of state shall deposit the money in the account to be distributed to the division of **addiction and mental health services**.

(c) An organization that receives money under subsection (b) shall distribute the money to local nonprofit organizations at least



1 semiannually for drug abuse education and prevention initiatives.

2 SECTION 12. IC 9-24-15-6.5 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6.5. (a) The court shall
4 grant a petition for a restricted driving permit filed under this chapter
5 if all of the following conditions exist:

6 (1) The person was not convicted of one (1) or more of the
7 following:

8 (A) A Class D felony under IC 9-30-5-4 before July 1, 1996,
9 or a Class D felony or a Class C felony under IC 9-30-5-4 after
10 June 30, 1996.

11 (B) A Class C felony under IC 9-30-5-5 before July 1, 1996, or
12 a Class C felony or a Class B felony under IC 9-30-5-5 after
13 June 30, 1996.

14 (2) The person's driving privileges were suspended under
15 IC 9-30-6-9(b) or IC 35-48-4-15.

16 (3) The driving that was the basis of the suspension was not in
17 connection with the person's work.

18 (4) The person does not have a previous conviction for operating
19 while intoxicated.

20 (5) The person is participating in a rehabilitation program
21 certified by the division of **addiction and** mental health **services**
22 as a condition of the person's probation.

23 (b) The person filing the petition for a restricted driving permit shall
24 include in the petition the information specified in subsection (a) in
25 addition to the information required by sections 3 through 4 of this
26 chapter.

27 (c) Whenever the court grants a person restricted driving privileges
28 under this chapter, that part of the court's order granting probationary
29 driving privileges shall not take effect until the person's driving
30 privileges have been suspended for at least thirty (30) days under
31 IC 9-30-6-9.

32 SECTION 13. IC 9-30-10-9, AS AMENDED BY SEA 40-1999, IS
33 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

34 Sec. 9. (a) If a court finds that a person:

35 (1) is a habitual violator under section 4(c) of this chapter;

36 (2) has not been previously placed on probation under this section
37 by a court;

38 (3) operates a vehicle for commercial or business purposes, and
39 the person's mileage for commercial or business purposes:

40 (A) is substantially in excess of the mileage of an average
41 driver; and

42 (B) may have been a factor that contributed to the person's

C
o
p
y



- 1 poor driving record; and
 2 (4) does not have:
 3 (A) a judgment for a violation enumerated in section 4(a) of
 4 this chapter; or
 5 (B) at least three (3) judgments (singularly or in combination
 6 and not arising out of the same incident) of the violations
 7 enumerated in section 4(b) of this chapter;
 8 the court may place the person on probation in accordance with
 9 subsection (c).
 10 (b) If a court finds that a person:
 11 (1) is a habitual violator under section 4(b) of this chapter;
 12 (2) has not been previously placed on probation under this section
 13 by a court;
 14 (3) does not have a judgment for any violation listed in section
 15 4(a) of this chapter;
 16 (4) has had the person's driving privileges suspended under this
 17 chapter for at least five (5) consecutive years; and
 18 (5) has not violated the terms of the person's suspension by
 19 operating a vehicle;
 20 the court may place the person on probation in accordance with
 21 subsection (c). However, if the person has any judgments for operation
 22 of a vehicle while intoxicated or with at least ten-hundredths percent
 23 (0.10%) alcohol by weight in grams in one hundred (100) milliliters of
 24 the blood, or two hundred ten (210) liters of the breath, the court,
 25 before the court places a person on probation under subsection (c),
 26 must find that the person has successfully fulfilled the requirements of
 27 a rehabilitation program certified by the division of **addiction and**
 28 **mental health services**.
 29 (c) Whenever a court places a habitual violator on probation, the
 30 court:
 31 (1) shall record each of the court's findings under this section in
 32 writing;
 33 (2) shall obtain the person's driver's license or permit and send the
 34 license or permit to the bureau;
 35 (3) shall direct the person to apply to the bureau for a restricted
 36 driver's license;
 37 (4) shall order the bureau to issue the person an appropriate
 38 license;
 39 (5) shall place the person on probation for a fixed period of not
 40 less than three (3) years and not more than ten (10) years;
 41 (6) shall attach restrictions to the person's driving privileges,
 42 including restrictions limiting the person's driving to:

C
O
P
Y

- (A) commercial or business purposes or other employment related driving;
- (B) specific purposes in exceptional circumstances; and
- (C) rehabilitation programs;
- (7) shall order the person to file proof of financial responsibility for three (3) years following the date of being placed on probation; and
- (8) may impose other appropriate conditions of probation.
- (d) If a court finds that a person:
 - (1) is a habitual violator under section 4(b) or 4(c) of this chapter;
 - (2) does not have any judgments for violations under section 4(a) of this chapter;
 - (3) does not have any judgments or convictions for violations under section 4(b) of this chapter, except for judgments or convictions under section 4(b)(4) of this chapter that resulted from driving on a suspended license that was suspended for:
 - (A) the commission of infractions only; or
 - (B) previously driving on a suspended license;
 - (4) has not been previously placed on probation under this section by a court; and
 - (5) has had the person's driving privileges suspended under this chapter for at least three (3) consecutive years and has not violated the terms of the person's suspension by operating a vehicle for at least three (3) consecutive years;

the court may place the person on probation under subsection (c).

SECTION 14. IC 11-10-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The department shall provide for the care and treatment of every confined offender who is determined to be mentally ill by a psychiatrist employed or retained by the department. To provide that care and treatment, the department may:

- (1) establish and operate its own mental health facilities and programs;
- (2) transfer offenders to the division of **addiction and** mental health **services**, subject to the approval of the director of the division of **addiction and** mental health **services**; or
- (3) contract with any city, county, state, or federal authority or with other public or private organizations for the provision of care and treatment.

SECTION 15. IC 11-10-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) A committed offender may be involuntarily transferred to the division of **addiction**



1 **and** mental health **services** or to a mental health facility only if:

2 (1) the offender has been examined by a psychiatrist employed or
3 retained by the department and the psychiatrist reports to the
4 department in writing that, in his opinion, the offender is mentally
5 ill and in need of care and treatment by the division of **addiction**
6 **and** mental health **services** or in a mental health facility;

7 (2) the director of mental health approves of the transfer if the
8 offender is to be transferred to the division of **addiction and**
9 mental health **services**; and

10 (3) the department affords the offender a hearing to determine the
11 need for the transfer, which hearing must comply with the
12 following minimum standards:

13 (A) The offender shall be given at least ten (10) days advance
14 written and verbal notice of the date, time, and place of the
15 hearing and the reason for the contemplated transfer. This
16 notice must advise the offender of the rights enumerated in
17 clauses (C) and (D). Notice must also be given to one (1) of
18 the following:

- 19 (i) The offender's spouse.
- 20 (ii) The offender's parent.
- 21 (iii) The offender's attorney.
- 22 (iv) The offender's guardian.
- 23 (v) The offender's custodian.
- 24 (vi) The offender's relative.

25 (B) A copy of the psychiatrist's report must be given to the
26 offender not later than at the time notice of the hearing is
27 given.

28 (C) The offender is entitled to appear in person, speak in his
29 own behalf, call witnesses, present documentary evidence, and
30 confront and cross-examine witnesses.

31 (D) The offender is entitled to be represented by counsel or
32 other representative.

33 (E) The offender must be given a written statement of the
34 findings of fact, the evidence relied upon, and the reasons for
35 the action taken.

36 (F) A finding that the offender is in need of mental health care
37 and treatment in the division of **addiction and** mental health
38 **services** or a mental health facility must be based upon clear
39 and convincing evidence.

40 (b) If the official in charge of the facility or program to which the
41 offender is assigned determines that emergency care and treatment in
42 the division of **addiction and** mental health **services** or a mental health

C
o
p
y



1 facility is necessary to control a mentally ill offender who is either
 2 gravely disabled or dangerous, that offender may be involuntarily
 3 transferred, subject to the approval of the director of the division of
 4 **addiction and mental health services**, before holding the hearing
 5 described in subsection (a)(3). However, this subsection does not
 6 deprive the offender of his right to a hearing.

7 (c) The official in charge of the division of **addiction and** mental
 8 health **services** or facility to which an offender is transferred under this
 9 section must give the offender a semiannual written report, based on a
 10 psychiatrist's examination, concerning his mental condition and the
 11 need for continued care and treatment in the division of **addiction and**
 12 mental health **services** or facility. If the report states that the offender
 13 is still in need of care and treatment in the division of **addiction and**
 14 mental health **services** or a mental health facility, the division of
 15 **addiction and mental health services** or facility shall, upon request of
 16 the offender or a representative in his behalf, conduct a hearing to
 17 review the need for that continued care and treatment. The hearing
 18 must comply with the minimum standards established by subsection
 19 (a)(3). The division of **addiction and** mental health **services** or facility
 20 to which the offender is transferred under this section may conduct a
 21 hearing under this subsection upon its initiative.

22 (d) If the division of **addiction and** mental health **services** or
 23 facility to which an offender is transferred under this section
 24 determines that the offender no longer needs care and treatment in the
 25 division of **addiction and** mental health **services** or facility, the
 26 division of **addiction and** mental health **services** or facility shall return
 27 the offender to the custody of the department of correction, and the
 28 department of correction shall reassign the offender to another facility
 29 or program.

30 SECTION 16. IC 11-10-4-4 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) An offender who
 32 believes the offender to be mentally ill and in need of care and
 33 treatment in the division of **addiction and** mental health **services** or a
 34 mental health facility shall, at the offender's request for transfer, be
 35 examined by a psychiatrist employed or retained by the department of
 36 correction, who shall report the psychiatrist's findings to the department
 37 of correction. If the report states that the offender is mentally ill and in
 38 need of care and treatment in the division of **addiction and** mental
 39 health **services** or a mental health facility, the department of correction
 40 shall transfer the offender to the division of **addiction and** mental
 41 health **services**, subject to the approval of the director of the division
 42 of **addiction and** mental health **services**, or to a mental health facility.



C
O
P
Y

If the department of correction intends to transfer an offender to the division of **addiction and mental health services**, the department of correction shall transmit a copy of the psychiatrist's report to the division of **addiction and mental health services**.

(b) Section 3(c) and 3(d) of this chapter apply to transfers under this section.

SECTION 17. IC 11-10-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. A transfer under this chapter does not extend an offender's term of imprisonment or commitment. However, if it is determined that an offender transferred under this chapter will be in need of mental health care and treatment after the offender's term of imprisonment or commitment ends, the division of **addiction and mental health services** or facility to which the offender was transferred may institute commitment proceedings under IC 12-26.

SECTION 18. IC 11-10-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. Whenever an offender sentenced under IC 35-36-2-5 is committed to the department of correction, the department of correction shall immediately inform the division of **addiction and mental health services** of the commitment and provide the division of **addiction and mental health services** with a copy of the evaluation made by the department of correction under IC 11-10-1-2.

SECTION 19. IC 12-7-2-38 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 38. "Community mental health center" means a program of services that meets the following conditions:

(1) Is approved by the division of **addiction and mental health services**.

(2) Is organized for the purpose of providing multiple services for persons with mental illness or a chronic addictive disorder.

(3) Is operated by one (1) of the following or any combination of the following:

(A) A city, a town, a county, or another political subdivision of Indiana.

(B) An agency of the state.

(C) An agency of the United States.

(D) A political subdivision of another state.

(E) A hospital owned or operated by a unit of government described in clauses (A) through (D).

(F) A building authority organized for the purpose of constructing facilities to be leased to units of government.



C
O
P
Y

(G) A corporation incorporated under IC 23-7-1.1 (before its repeal August 1, 1991) or IC 23-17.

(H) A nonprofit corporation incorporated in another state.

(I) A university or college.

SECTION 20. IC 12-7-2-64 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 64. "Director" refers to the following:

(1) With respect to a particular division, the director of the division.

(2) With respect to a particular state institution, the director who has administrative control of and responsibility for the state institution.

(3) For purposes of IC 12-10-15, the term refers to the director of the division of disabilities, aging, and rehabilitative services.

(4) For purposes of IC 12-25, the term refers to the director of the division of **addiction and mental health services**.

(5) For purposes of IC 12-26, the term:

(A) refers to the director who has administrative control of and responsibility for the appropriate state institution; and

(B) includes the director's designee.

(6) If subdivisions (1) through (5) do not apply, the term refers to the director of any of the divisions.

SECTION 21. IC 12-7-2-69 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 69. (a) "Division", except as provided in subsections (b) and (c), refers to any of the following:

(1) The division of disability, aging, and rehabilitative services established by IC 12-9-1-1.

(2) The division of family and children established by IC 12-13-1-1.

(3) The division of **addiction and mental health services** established by IC 12-21-1-1.

(b) The term refers to the following:

(1) For purposes of the following statutes, the division of disability, aging, and rehabilitative services established by IC 12-9-1-1:

(A) IC 12-9.

(B) IC 12-10.

(C) IC 12-11.

(D) IC 12-12.

(2) For purposes of the following statutes, the division of family and children established by IC 12-13-1-1:



- 1 (A) IC 12-13.
- 2 (B) IC 12-14.
- 3 (C) IC 12-15.
- 4 (D) IC 12-16.
- 5 (E) IC 12-17.
- 6 (F) IC 12-17.2.
- 7 (G) IC 12-17.4.
- 8 (H) IC 12-18.
- 9 (I) IC 12-19.
- 10 (J) IC 12-20.
- 11 (3) For purposes of the following statutes, the division of
- 12 **addiction and** mental health **services** established by
- 13 IC 12-21-1-1:
- 14 (A) IC 12-21.
- 15 (B) IC 12-22.
- 16 (C) IC 12-23.
- 17 (D) IC 12-25.
- 18 (c) With respect to a particular state institution, the term refers to
- 19 the division whose director has administrative control of and
- 20 responsibility for the state institution.
- 21 (d) For purposes of IC 12-24, IC 12-26, and IC 12-27, the term
- 22 refers to the division whose director has administrative control of and
- 23 responsibility for the appropriate state institution.
- 24 SECTION 22. IC 12-7-2-127 IS AMENDED TO READ AS
- 25 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 127. (a) "Managed care
- 26 provider", for purposes of IC 12-14-1 through IC 12-14-9 and IC 12-15
- 27 (except IC 12-15-21, IC 12-15-33, and IC 12-15-34) means either of
- 28 the following:
- 29 (1) A physician licensed under IC 25-22.5 who:
- 30 (A) is primarily engaged in general practice, family practice,
- 31 internal medicine, pediatric medicine, or obstetrics and
- 32 gynecology; and
- 33 (B) has entered into a provider agreement for the provision of
- 34 physician services under IC 12-15-11-4.
- 35 (2) A partnership, corporation, or other entity that:
- 36 (A) employs or contracts with physicians licensed under
- 37 IC 25-22.5 who are primarily engaged in general practice,
- 38 family practice, internal medicine, pediatric medicine, or
- 39 obstetrics and gynecology; and
- 40 (B) has entered into a provider agreement for the provision of
- 41 physician services under IC 12-15-11-4.
- 42 (b) "Managed care provider", for purposes of IC 12-21-1 through



IC 12-29-2, means an organization:

(1) that:

(A) for mental health services, is defined under 42 U.S.C. 300x-2(c); or

(B) provides addiction services;

(2) that has entered into a provider agreement with the division of **addiction and mental health services** under IC 12-21-2-7 to provide a continuum of care in the least restrictive, most appropriate setting; and

(3) that is operated by at least one (1) of the following:

(A) A city, town, county, or other political subdivision of Indiana.

(B) An agency of Indiana or of the United States.

(C) A political subdivision of another state.

(D) A hospital owned or operated by:

(i) a unit of government; or

(ii) a building authority that is organized for the purpose of constructing facilities to be leased to units of government.

(E) A corporation incorporated under IC 23-7-1.1 (before its repeal August 1, 1991) or IC 23-17.

(F) A nonprofit corporation incorporated in another state.

(G) A university or college.

SECTION 23. IC 12-7-2-151 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 151. "Psychiatric hospital", for purposes of section 82 of this chapter, means any of the following:

(1) A state institution.

(2) A general hospital:

(A) licensed by the state department of health; and

(B) that maintains and operates facilities for the observation, care, treatment, and detention of individuals who are mentally ill.

(3) A private psychiatric hospital licensed by the division of **addiction and mental health services**.

SECTION 24. IC 12-7-2-175 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 175. "Service provider", for purposes of IC 12-27, means any of the following:

(1) A state institution.

(2) A private psychiatric hospital licensed under IC 12-25.

(3) A community mental health center.

(4) A community mental retardation and other developmental disabilities center.



(5) A service provider certified by the division of **addiction and mental health services** to provide substance abuse treatment programs.

(6) A service provider or program receiving money from or through a division.

(7) Any other service provider, hospital, clinic, program, agency, or private practitioner if the individual receiving mental health services or developmental training was admitted without the individual's consent.

(8) A managed care provider (as defined in IC 12-7-2-127(b)).

SECTION 25. IC 12-7-2-180.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 180.2. "Special needs foster family home", for purposes of IC 12-17.4, means a foster family home:**

(1) **that provides care for a child who:**

(A) **has a mental, physical, or emotional disability; and**

(B) **will require additional supervision or assistance in behavior management, activities of daily living, or management of medical problems; and**

(2) **that meets the additional requirements under IC 12-17.4-4-1.7.**

SECTION 26. IC 12-7-2-190.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 190.8. "Therapeutic foster family home", for purposes of IC 12-17.4, means a foster family home:**

(1) **that provides care to a seriously emotionally disturbed or developmentally disabled child;**

(2) **in which the child receives treatment in a family home through an integrated array of services supervised and supported by qualified program staff from:**

(A) **the office of the secretary of family and social services;**

(B) **a managed care provider that contracts with the division of mental health; or**

(C) **a licensed child placing agency; and**

(3) **that meets the additional requirements under IC 12-17.4-4-1.5.**

SECTION 27. IC 12-8-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. This chapter expires July 1, ~~1999~~: **2002.**

SECTION 28. IC 12-8-1-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY



1, 1999]: **Sec. 14. The office of the secretary of family and social services shall implement methods to facilitate the payment of providers.**

SECTION 29. IC 12-8-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. Unless otherwise provided by a statute, this chapter applies to the following:

- (1) The family and social services committee established by IC 12-8-3-2.
- (2) The following advisory councils:
 - (A) The division of disability, aging, and rehabilitative services advisory council.
 - (B) The division of family and children advisory council.
 - (C) The division of **addiction and** mental health **services** advisory council.
- (3) A body:
 - (A) established by statute for a division; and
 - (B) whose enabling statute makes this chapter applicable to the body.

SECTION 30. IC 12-8-2-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 12. This chapter expires July 1, ~~1999~~ **2002**.

SECTION 31. IC 12-8-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. The office and the division of **addiction and** mental health **services** shall develop a written memorandum of understanding that provides the following:

- (1) Program responsibilities for the provision of care and treatment for mentally ill individuals.
- (2) Responsibilities to educate and inform vendors of the proper billing procedures.
- (3) Responsibilities in administering the state plan.
- (4) Responsibilities for Medicaid fiscal and quality accountability and audits for mental health services.
- (5) That the division shall recommend options and services to be reimbursed under the state plan.
- (6) That the office and the division agree that, within the limits of 42 U.S.C. 1396 et seq., mentally ill individuals cannot be excluded from services on the basis of diagnosis unless these services are otherwise provided and reimbursed under the state plan.
- (7) That the office shall seek review and comment from the division before the adoption of rules or standards that may affect the service, programs, or providers of medical assistance services



for the mentally ill.

(8) That the division shall develop rate setting policies for medical assistance services for the mentally ill.

(9) Policies to facilitate communication between the office and the division.

(10) Any additional provisions that enhance communication between the office and the division or facilitate more efficient or effective delivery of mental health services.

SECTION 32. IC 12-8-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. This chapter expires July 1, ~~1999~~ **2002**.

SECTION 33. IC 12-8-8-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. This chapter expires July 1, ~~1999~~ **2002**.

SECTION 34. IC 12-8-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. This chapter applies only to the indicated money of the following state agencies to the extent that the money is used by the agency to obtain services from grantee agencies to carry out the program functions of the agency:

(1) Money appropriated or allocated to a state agency from money received by the state under the Social Services Block Grant Act (42 U.S.C. 1397 et seq.).

(2) The division of disability, aging, and rehabilitative services, except this chapter does not apply to money expended under the following:

(A) The following statutes, unless application of this chapter is required by another subdivision of this section:

(i) IC 12-10-6.

(ii) IC 12-10-12.

(B) Epilepsy services.

(3) The division of family and children, for money expended under the following:

(A) The following statutes:

(i) IC 12-14-10.

(ii) IC 12-14-11.

(iii) IC 12-14-12.

(B) The following programs:

(i) The child development associate scholarship program.

(ii) The dependent care program.

(iii) Migrant day care.

(iv) The youth services bureau.

(v) The project safe program.



- 1 (vi) The commodities program.
- 2 (vii) The migrant nutrition program.
- 3 (viii) Any emergency shelter program.
- 4 (ix) The energy weatherization program.
- 5 (x) Programs for individuals with developmental disabilities.
- 6 (4) The state department of health, for money expended under the
- 7 following statutes:
- 8 (A) IC 16-19-10.
- 9 (B) IC 16-38-3.
- 10 (5) The group.
- 11 (6) All state agencies, for any other money expended for the
- 12 purchase of services if all the following apply:
- 13 (A) The purchases are made under a contract between the state
- 14 agency and the office of the secretary.
- 15 (B) The contract includes a requirement that the office of the
- 16 secretary perform the duties and exercise the powers described
- 17 in this chapter.
- 18 (C) The contract is approved by the budget agency.
- 19 (7) The division of **addiction and** mental health **services**.
- 20 SECTION 35. IC 12-10-5-3 IS AMENDED TO READ AS
- 21 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) The task force
- 22 consists of thirteen (13) voting and four (4) nonvoting members as
- 23 follows:
- 24 (1) Two (2) representatives of an Alzheimer's disease or related
- 25 senile dementia support organization.
- 26 (2) Five (5) individuals with expertise in Alzheimer's disease or
- 27 related senile dementia, including at least:
- 28 (A) one (1) physician with an unlimited license to practice
- 29 medicine under IC 25-22.5; and
- 30 (B) one (1) psychologist with a license to practice psychology
- 31 under IC 25-33.
- 32 (3) Two (2) health care providers that provide services to persons
- 33 with Alzheimer's disease or related senile dementia.
- 34 (4) One (1) individual whose parent, spouse, brother, or sister is
- 35 or was afflicted with Alzheimer's disease or related senile
- 36 dementia.
- 37 (5) The commissioner of the state department of health or the
- 38 commissioner's designee.
- 39 (6) The director or the director's designee.
- 40 (7) One (1) representative of the division of **addiction and** mental
- 41 health **services**.
- 42 (8) Two (2) members of the house of representatives appointed by



the speaker of the house of representatives. The members appointed under this subdivision:

(A) may not be members of the same political party; and

(B) serve as nonvoting ex officio members of the task force.

(9) Two (2) members of the senate appointed by the president pro tempore of the senate. The members appointed under this subdivision:

(A) may not be members of the same political party; and

(B) serve as nonvoting ex officio members of the task force.

(b) The members of the task force designated by subsection (a)(1) through (a)(4) shall be appointed by the governor.

SECTION 36. IC 12-10-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) An individual who is incapable of residing in the individual's own home may apply for residential care assistance under this section. The determination of eligibility for residential care assistance is the responsibility of the division. Except as provided in subsections (f) and (h), an individual is eligible for residential care assistance if the division determines that the individual:

(1) is a recipient of Medicaid or the federal Supplemental Security Income program;

(2) is incapable of residing in the individual's own home because of dementia, mental illness, or a physical disability;

(3) requires a degree of care less than that provided by a health care facility licensed under IC 16-28; and

(4) can be adequately cared for in a residential care setting.

(b) Individuals suffering from mental retardation may not be admitted to a home or facility that provides residential care under this section.

(c) A service coordinator employed by the division may:

(1) evaluate a person seeking admission to a home or facility under subsection (a); or

(2) evaluate a person who has been admitted to a home or facility under subsection (a), including a review of the existing evaluations in the person's record at the home or facility.

If the service coordinator determines the person evaluated under this subsection is mentally retarded, the service coordinator may recommend an alternative placement for the person.

(d) Except as provided in section 5 of this chapter, residential care consists of only room, board, and laundry, along with minimal administrative direction. State financial assistance may be provided for such care in a boarding or residential home of the applicant's choosing



C
o
p
y

that is licensed under IC 16-28 or a Christian Science facility listed and certified by the Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc., that meets certain life safety standards considered necessary by the state fire marshal. Payment for such care shall be made to the provider of the care according to division directives and supervision. The amount of nonmedical assistance to be paid on behalf of a recipient living in a boarding home, residential home, or Christian Science facility shall be based on the daily rate established by the division. The rate for facilities that are referred to in this section and licensed under IC 16-28 may not exceed an upper rate limit established by a rule adopted by the division. The recipient may retain from the recipient's income a personal allowance in an amount to be established by the division, but not less than twenty-eight dollars and fifty cents (\$28.50) or more than thirty-five dollars (\$35) monthly. This amount is exempt from income eligibility consideration by the division and may be exclusively used by the recipient for the recipient's personal needs. However, if the recipient's income is less than the amount of the personal allowance, the division shall pay to the recipient the difference between the amount of the personal allowance and the recipient's income. A reserve or an accumulated balance from such a source, together with other sources, may not be allowed to exceed the state's resource allowance allowed for adults eligible for state supplemental assistance or Medicaid as established by the rules of the office of Medicaid policy and planning.

(e) In addition to the amount that may be retained as a personal allowance under this section, an individual shall be allowed to retain an amount equal to the individual's state and local income tax liability. The amount that may be retained during a month may not exceed one-third ($1/3$) of the individual's state and local income tax liability for the calendar quarter in which that month occurs. This amount is exempt from income eligibility consideration by the division. The amount retained shall be used by the individual to pay any state or local income taxes owed.

(f) The rate of payment to the provider shall be determined in accordance with a prospective prenegotiated payment rate predicated on a reasonable cost related basis, with a growth of profit factor, as determined in accordance with generally accepted accounting principles and methods, and written standards and criteria, as established by the division. The division shall establish an administrative appeal procedure to be followed if rate disagreement occurs if the provider can demonstrate to the division the necessity of costs in excess of the allowed or authorized fee for the specific



1 boarding or residential home. The amount may not exceed the
2 maximum established under subsection (d).

3 (g) The personal allowance for one (1) month for an individual
4 described in subsection (a) whose employment is part of the
5 individual's personal habilitation plan or who is working in a sheltered
6 workshop or day activity center is the amount that an individual would
7 be entitled to retain under subsection (d) plus an amount equal to
8 one-half (1/2) of the remainder of:

9 (1) gross earned income for that month; minus

10 (2) the sum of:

11 (A) sixteen dollars (\$16); plus

12 (B) the amount withheld from the person's paycheck for that
13 month for payment of state income tax, federal income tax,
14 and the tax prescribed by the federal Insurance Contribution
15 Act (26 U.S.C. 3101 et seq.); plus

16 (C) transportation expenses for that month.

17 (h) An individual who, before September 1, 1983, has been admitted
18 to a home or facility that provides residential care under this section is
19 eligible for residential care in the home or facility.

20 (i) The director of the division may contract with the division of
21 **addiction and mental health services** or the division of disability,
22 aging, and rehabilitative services to purchase services for individuals
23 suffering from mental illness or a developmental disability by
24 providing money to supplement the appropriation for community
25 residential care programs established under IC 12-22-2 or community
26 residential programs established under IC 12-11-1-1.

27 (j) A person with a mental illness may not be placed in a Christian
28 Science facility listed and certified by the Commission for
29 Accreditation of Christian Science Nursing Organizations/Facilities,
30 Inc., unless the facility is licensed under IC 16-28.

31 SECTION 37. IC 12-10-6-5 IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) An individual
33 who is determined as disabled under section 2(a)(2) of this chapter
34 because of mental illness may be admitted to a home or facility that
35 provides residential care to the extent that money is available for the
36 care.

37 (b) Within thirty (30) days after a mentally ill individual is placed
38 in a home or facility that provides residential care, a comprehensive
39 care plan must be developed for the individual.

40 (c) The residential care facility, in cooperation with the community
41 mental health center or an individual's managed care provider (as
42 defined in IC 12-7-2-127(b)) serving the area in which the residential

C
O
P
Y



care facility is located, shall develop the comprehensive care plan for the individual. The plan must include the following:

(1) Psychosocial rehabilitation services that are provided within the community.

(2) A comprehensive range of activities to meet multiple levels of need, including the following:

(A) Recreational and socialization activities.

(B) Social skills.

(C) Educational, training, occupational, and work programs.

(D) Opportunities for progression into less restrictive and more independent living arrangements.

(3) Appropriate alternate placement if the individual's needs cannot be met by the facility.

(d) The health facilities council shall, in coordination with the division of **addiction and mental health services** and the division, adopt rules under IC 4-22-2 to govern:

(1) residential care; and

(2) the comprehensive care plan;

provided to individuals suffering from mental illness who reside under this chapter in a home or facility that provides residential care.

SECTION 38. IC 12-10-12-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 12. (a) The activities of the screening team must be conducted under uniform rules adopted under IC 4-22-2 by the director of the division.

(b) The rules must be developed in cooperation with the division of **addiction and mental health services** and the office.

SECTION 39. IC 12-11-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. The division of **addiction and mental health services** and the division shall enter into a memorandum of understanding concerning referrals to a service coordinator of individuals with developmental disabilities discharged from or on an outpatient status from a state institution operated by the division of **addiction and mental health services**.

SECTION 40. IC 12-11-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. So that the funds authorized by this chapter may be used to the best advantage for the benefit of persons with multiple disabilities, the budget agency, upon concurrent recommendations of the director of the division of **addiction and mental health services** and the director of the division of disability, aging, and rehabilitative services, may transfer funds authorized by this chapter from one (1) division to the other.

SECTION 41. IC 12-11-7-6 IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. The comprehensive
 2 plan required by section 5(3) of this chapter must include an
 3 interagency cooperation agreement among the following:

- 4 (1) The department of education.
- 5 (2) The division of **addiction and** mental health **services**.
- 6 (3) The division of family and children.
- 7 (4) The division.
- 8 (5) Any other appropriate agencies.

9 SECTION 42. IC 12-11-7-7 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. The following shall
 11 cooperate with the commission and each other in developing and
 12 updating the comprehensive plan required by section 5(3) of this
 13 chapter and in developing and complying with the interagency
 14 cooperation agreement required by section 6 of this chapter:

- 15 (1) The department of education.
- 16 (2) The division of **addiction and** mental health **services**.
- 17 (3) The division of family and children.
- 18 (4) The division.
- 19 (5) Any other appropriate agencies.

20 SECTION 43. IC 12-11-8-3 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) The institute for
 22 autism in cooperation with the appropriate state agencies shall do the
 23 following:

- 24 (1) Provide informational services about autism.
- 25 (2) Provide an information system for services provided to
 26 individuals with autism and their families by federal, state, local,
 27 and private agencies.
- 28 (3) Develop a data base from information received by the
 29 division, the division of **addiction and** mental health **services**, the
 30 department of education, and the state department of health
 31 relative to the services provided to autistic individuals and their
 32 families.
- 33 (4) Offer training and technical assistance to providers of services
 34 and families of individuals with autism.
- 35 (5) Research methods for assessing, planning, implementing, and
 36 evaluating programs for individuals with autism and their
 37 families.
- 38 (6) Develop model curricula and resource materials for providers
 39 of services and families of individuals with autism.
- 40 (7) Conduct one (1) time every three (3) years a statewide needs
 41 assessment study designed to determine the following:
 42 (A) The status of services provided to autistic individuals and



1 their families.

2 (B) The need for additional or alternative services for autistic
3 individuals and their families.

4 (b) The institute for autism shall deliver to the general assembly the
5 results of the needs assessment study required by subsection (a)(7)
6 before December 1 of each year in which the study is conducted.

7 SECTION 44. IC 12-11-10-5 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. Services to support
9 families of persons with disabilities and persons with disabilities may
10 include services available within the division of family and children,
11 the division of aging and rehabilitative services, the division of
12 **addiction and mental health services**, the department of health, the
13 department of education, the department of workforce development,
14 and the department of corrections, including case management and
15 service coordination.

16 SECTION 45. IC 12-13-12-3 IS AMENDED TO READ AS
17 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. The commission
18 consists of nineteen (19) members appointed as follows:

19 (1) Two (2) members of the senate, who are not members of the
20 same political party, appointed by the president pro tempore of
21 the senate with the advice of the minority leader of the senate.

22 (2) Two (2) members of the house of representatives, who are not
23 members of the same political party, appointed by the speaker of
24 the house of representatives with the advice of the minority leader
25 of the house of representatives.

26 (3) The director of the division of family and children or the
27 director's designee.

28 (4) The director of the division of **addiction and** mental health
29 **services** or the director's designee.

30 (5) The commissioner of the state department of health or the
31 commissioner's designee.

32 (6) The superintendent of public instruction or the
33 superintendent's designee.

34 (7) The commissioner of the department of correction or the
35 commissioner's designee.

36 (8) The director of the civil rights commission or the director's
37 designee.

38 (9) The commissioner of the department of administration or the
39 commissioner's designee.

40 (10) The director of the department of commerce or the director's
41 designee.

42 (11) A minority business person, appointed by the governor.



C
O
P
Y

(12) Three (3) persons appointed by the president pro tempore of the senate who are not members of the general assembly. Not more than two (2) of the persons appointed under this subdivision may be members of the same political party.

(13) Three (3) persons appointed by the speaker of the house of representatives who are not members of the general assembly. Not more than two (2) of the persons appointed under this subdivision may be members of the same political party.

SECTION 46. IC 12-15-8-1 IS AMENDED TO READ AS FOLLOWS[EFFECTIVE JULY 1, 1999]: Sec. 1. Whenever:

(1) the office pays medical expenses for or on behalf of a person who has been injured or has suffered an illness or a disease as a result of the negligence or act of another person; and

(2) the injured or diseased person asserts a claim against the other person for damages resulting from the injury, illness, or disease; the office has a lien against the other person, ~~to the extent of in the amount of that~~ paid by the office **to the extent of the other person's liability for those medical expenses** on any recovery under the claim ~~; . whether by judgment, compromise, or settlement. Whenever the existence or extent of liability of the other person for medical expenses is disputed in a compromise or settlement of a claim against the other person, the lien on any recovery by compromise or settlement shall exist only for that portion of the medical expenses equal to the portion that the recovery is of the total damages.~~

SECTION 47. IC 12-15-18-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5.1. (a) For state fiscal years ending on or after June 30, 1998, the trustees and each municipal health and hospital corporation established under IC 16-22-8-6 are authorized to make intergovernmental transfers to the Medicaid indigent care trust fund in amounts to be determined jointly by the office and the trustees, and the office and each municipal health and hospital corporation.

(b) The treasurer of state shall annually transfer from appropriations made for the division of **addiction and** mental health **services** sufficient money to provide the state's share of payments under IC 12-15-16-6(c)(5).

(c) The office shall coordinate the transfers from the trustees and each municipal health and hospital corporation established under IC 16-22-8-6 so that the aggregate intergovernmental transfers, when combined with federal matching funds:

(1) produce payments to each hospital licensed under IC 16-21



1 that qualifies as an enhanced disproportionate share provider
2 under IC 12-15-16-1(b); and

3 (2) both individually and in the aggregate do not exceed limits
4 prescribed by the United States Health Care Financing
5 Administration.

6 The trustees and a municipal health and hospital corporation are not
7 required to make intergovernmental transfers under this section. The
8 trustees and a municipal health and hospital corporation may make
9 additional transfers to the Medicaid indigent care trust fund to the
10 extent necessary to make additional payments from the Medicaid
11 indigent care trust fund apply to a prior federal fiscal year as provided
12 in IC 12-15-19-1(c).

13 (d) A municipal disproportionate share provider (as defined in
14 IC 12-15-16-1(c)) shall transfer to the Medicaid indigent care trust
15 fund an amount determined jointly by the office and the municipal
16 disproportionate share provider. A municipal disproportionate share
17 provider is not required to make intergovernmental transfers under this
18 section. A municipal disproportionate share provider may make
19 additional transfers to the Medicaid indigent care trust fund to the
20 extent necessary to make additional payments from the Medicaid
21 indigent care trust fund apply to a prior federal fiscal year as provided
22 in IC 12-15-19-1(c).

23 (e) A county treasurer making a payment under IC 12-29-1-7(b) or
24 from other county sources to a community mental health center
25 qualifying as a community mental health center disproportionate share
26 provider shall certify that the payment represents expenditures that are
27 eligible for federal financial participation under 42 U.S.C.
28 1396b(w)(6)(A) and 42 CFR 433.51. The office shall assist a county
29 treasurer in making this certification.

30 SECTION 48. IC 12-15-33-6 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. The following shall
32 serve as ex officio members of the committee:

33 (1) The state health commissioner or the commissioner's
34 designee.

35 (2) The director of the division of **addiction and** mental health
36 **services** or the director's designee.

37 (3) The administrator of the office.

38 SECTION 49. IC 12-16-1-1 IS AMENDED TO READ AS
39 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this
40 chapter, "affected agency" means any of the following:

41 (1) The department of correction.

42 (2) The state department of health.



(3) The division of **addiction and mental health services**.

(4) The division of disability, aging, and rehabilitative services.

SECTION 50. IC 12-16-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. The hospital care for the indigent program does not apply to inmates and patients of institutions of the department of correction, the state department of health, the division of **addiction and mental health services**, or the division of disability, aging, and rehabilitative services.

SECTION 51. IC 12-16-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. The division shall, with the advice of the division's medical staff, the division of **addiction and mental health services**, the division of disability, aging, and rehabilitative services, and other individuals selected by the director of the division, adopt rules under IC 4-22-2 to do the following:

(1) Provide for review and approval of services paid under the hospital care for the indigent program.

(2) Establish limitations consistent with medical necessity on the duration of services to be provided.

(3) Specify the amount of and method for reimbursement for services.

(4) Specify the conditions under which payments will be denied and improper payments will be recovered.

SECTION 52. IC 12-17-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this chapter, "agency" means a department, a commission, a council, a board, a bureau, a division, a service, an office, or an administration that is responsible for providing services to infants and toddlers with disabilities and their families, including the following:

(1) The division of **addiction and mental health services**.

(2) The state department of health.

(3) The division of family and children.

(4) The division of disability, aging, and rehabilitative services.

(5) The department of education.

SECTION 53. IC 12-17.2-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. This article does not apply to the following:

(1) A child care center or child care home licensed or operated by any of the following:

(A) Programs for children in grades kindergarten through 12 that are operated under the authority of the department of education or that are operated with the assistance of the department of education.



(B) The division of **addiction and** mental health **services**.

(C) The state department of health.

(D) The department of correction.

(2) A county jail or detention center.

SECTION 54. IC 12-17.2-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The division may do the following:

(1) Prescribe forms for reports, statements, notices, and other documents required by this article or by the rules adopted under this article.

(2) Increase public awareness of this article and the rules adopted under this article by preparing and publishing manuals and guides explaining this article and the rules adopted under this article.

(3) Facilitate compliance with and enforcement of this article through the publication of materials under subdivision (2).

(4) Prepare reports and studies to advance the purpose of this article.

(5) Seek the advice and recommendations of state agencies whose information and knowledge would be of assistance in writing, revising, or monitoring rules developed under this article. These agencies, including the office of the attorney general, state department of health, division of **addiction and** mental health **services**, bureau of criminal identification and investigation, and fire prevention and building safety commission, shall upon request supply necessary information to the division.

(6) Make the directory of licensees available to the public for a charge not to exceed the cost of reproducing the directory.

(7) Charge a reasonable processing fee for each license application and renewal as follows:

(A) For a child care center license, a fee of two dollars (\$2) per licensed child capacity.

(B) For a child care center new inquiry application packet, a fee not to exceed five dollars (\$5).

(C) For a child care home license new inquiry application packet, a fee not to exceed five dollars (\$5).

(D) For a child care home annual inspection, a fee not to exceed twenty-five dollars (\$25).

(8) Exercise any other regulatory and administrative powers necessary to carry out the functions of the division.

SECTION 55. IC 12-17.2-3.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:



C
o
p
y

Chapter 3.1. Board for the Coordination of Child Care Regulation

Sec. 1. (a) The board for the coordination of child care regulation is established. The board consists of the following members:

(1) One (1) employee of the division to be designated by the director of the division.

(2) One (1) employee of the state department of health to be designated by the commissioner of the state department of health.

(3) The state fire marshal or the state fire marshal's designee.

(4) Ten (10) members, not more than five (5) of whom may be from the same political party, to be appointed as follows:

(A) One (1) member with child development experience to represent the public.

(B) One (1) member to represent operators of foster family homes.

(C) Two (2) members to represent operators of child care homes.

(D) One (1) member to represent operators of child caring institutions.

(E) One (1) member to represent operators of group homes and child placing agencies.

(F) One (1) member who is knowledgeable about the delivery of child care services to children and who is not an owner or operator of a facility, a ministry, or an agency that is licensed or registered under this chapter.

(G) Two (2) members to represent operators of child care centers.

(H) One (1) member to represent child care ministries.

(5) Two (2) members of the house of representatives, not more than one (1) of whom is a member of the same political party, to be appointed by and serve at the pleasure of the speaker of the house of representatives.

(6) Two (2) members of the senate, not more than one (1) of whom is a member of the same political party, to be appointed by and serve at the pleasure of the president pro tempore of the senate.

(b) The president pro tempore of the senate shall appoint the board members listed under subsection (a)(4)(A), (a)(4)(B), and (a)(4)(D), and one (1) member each under subsection (a)(4)(C) and (a)(4)(G). The speaker of the house of representatives shall appoint



C
o
p
y

the board members listed under subsection (a)(4)(E), (a)(4)(F), and (a)(4)(H), and one (1) member each under subsection (a)(4)(C) and (a)(4)(G). At least one (1) of the members appointed under this section must have knowledge or expertise, or both, in the area of children with special needs.

(c) The legislative council shall appoint the chairperson of the board from among the board members.

Sec. 2. The terms of the members expire November 1, 2001.

Sec. 3. The board shall elect necessary officers from among the board's members.

Sec. 4. The board shall meet upon the call of the chairperson.

Sec. 5. A majority of the members must be present for the transaction of business.

Sec. 6. The affirmative votes of a majority of the members of the board are required for the board to take action on any measure, including final reports.

Sec. 7. The board may appoint subcommittees of the board's members to receive public testimony, visit facilities, and make recommendations to the full committee.

Sec. 8. The legislative services agency shall provide the personnel necessary to staff the board.

Sec. 9. Each member of the board who is not a member of the general assembly is entitled to reimbursement for traveling and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency. Each member who is not a state employee is entitled to the minimum salary per diem as provided in IC 4-10-11-2.1(b).

Sec. 10. Each member of the board who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on interim study committees established by the legislative council. Payments made to a member of the general assembly under this section shall be paid from funds appropriated to the legislative council and the legislative services agency for this purpose.

Sec. 11. The board shall study the laws governing the regulation of child care and make recommendations to the general assembly concerning changes in the law the board finds are appropriate. Before November 1 of each year, the board shall submit a written report to the legislative council that identifies the board's



C
o
p
y

1 recommendations and discusses the status of the board's
 2 continuing program of study. The board's program of study under
 3 this section must include a study of the following topics:

4 (1) The need for changes in the scope and degree of child care
 5 regulation established by statute or rule, or both.

6 (2) The need to reorganize governmental units involved in the
 7 regulation of child care facilities to promote effective and
 8 efficient child care regulation, including the form that a
 9 needed reorganization should take.

10 (3) A method for the completion of a statewide needs
 11 assessment to determine the availability and projected need
 12 for safe and affordable child care.

13 (4) The need for programs to meet the needs of Indiana
 14 residents if the board determines that safe and affordable
 15 child care facilities are not available and easily accessible to
 16 Indiana residents.

17 (5) The effect of pending and enacted federal legislation on
 18 child care in Indiana and the need for statutory changes to
 19 qualify for federal child care grants and to comply with
 20 federal child care requirements.

21 **Sec. 12. This chapter expires November 1, 2001.**

22 SECTION 56. IC 12-17.4-1-1 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. This article does not
 24 apply to the following:

25 (1) A child caring institution, foster family home, group home, or
 26 child placing agency licensed or operated by any of the following:

27 (A) Programs for children in grades kindergarten through 12
 28 that are operated under the authority of the department of
 29 education or that are operated with the assistance of the
 30 department of education.

31 (B) The division of **addiction and mental health services**.

32 (C) The state department of health.

33 (D) The department of correction.

34 (2) A person who has received a child for adoption from a
 35 licensed child placement agency.

36 (3) A county jail or detention center.

37 SECTION 57. IC 12-17.4-2-2 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The division may do
 39 the following:

40 (1) Prescribe forms for reports, statements, notices, and other
 41 documents required by this article or by the rules adopted under
 42 this article.



(2) Increase public awareness of this article and the rules adopted under this article by preparing and publishing manuals and guides explaining this article and the rules adopted under this article.

(3) Facilitate compliance with and enforcement of this article through the publication of materials under subdivision (2).

(4) Prepare reports and studies to advance the purpose of this article.

(5) Seek the advice and recommendations of state agencies whose information and knowledge would be of assistance in writing, revising, or monitoring rules developed under this article. These agencies, including the office of the attorney general, state department of health, division of **addiction and mental health services**, bureau of criminal identification and investigation, and fire prevention and building safety commission, shall upon request supply necessary information to the division.

(6) Make the directory of licensees available to the public for a charge not to exceed the cost of reproducing the directory.

(7) Charge a reasonable processing fee for each license application and renewal as follows:

(A) For a child caring institution or group home license, a fee not to exceed three dollars (\$3) for each licensed bed based on total licensed bed capacity not to exceed a maximum fee of one hundred fifty dollars (\$150).

(B) For a child placing agency license, a fee not to exceed fifty dollars (\$50).

(8) Exercise any other regulatory and administrative powers necessary to carry out the functions of the division.

SECTION 58. IC 12-17.4-4-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 1.5. (a) A person may not operate a therapeutic foster family home without a license issued under this article.**

(b) The state or a political subdivision of the state may not operate a therapeutic foster family home without a license issued under this article.

(c) The division may only issue a license for a therapeutic foster family home that meets:

(1) all of the licensing requirements of a foster family home; and

(2) the additional requirements described in this section.

(d) An applicant for a therapeutic foster family home license must do the following:



1 (1) Be licensed as a foster parent under 470 IAC 3-1-1 et seq.

2 (2) Participate in thirty (30) hours of pre-service training that
3 includes:

4 (A) twenty (20) hours of pre-service training to be licensed
5 as a foster parent under 470 IAC 3-1-1 et seq.; and

6 (B) ten (10) hours of additional pre-service training in
7 therapeutic foster care.

8 (e) A person who is issued a license to operate a therapeutic
9 foster family home shall, within one (1) year after meeting the
10 training requirements of subsection (d)(2) and annually thereafter,
11 participate in twenty (20) hours of training that includes:

12 (1) ten (10) hours of training as required in order to be
13 licensed as a foster parent under 470 IAC 3-1-1 et seq.; and

14 (2) ten (10) hours of additional training in order to be licensed
15 as a therapeutic foster parent under this chapter.

16 (f) An operator of a therapeutic foster family home may not
17 provide supervision and care in a therapeutic foster family home
18 to more than two (2) foster children at the same time, not including
19 the children for whom the applicant or operator is a parent,
20 stepparent, guardian, custodian, or other relative. The division
21 may grant an exception to this subsection whenever the placement
22 of siblings in the same therapeutic foster family home is desirable
23 or in the best interests of the foster children residing in the home.

24 SECTION 59. IC 12-17.4-4-1.7 IS ADDED TO THE INDIANA
25 CODE AS A NEW SECTION TO READ AS FOLLOWS
26 [EFFECTIVE JULY 1, 1999]: Sec. 1.7. (a) A person may not operate
27 a special needs foster family home without a license issued under
28 this article.

29 (b) The state or a political subdivision of the state may not
30 operate a special needs foster family home without a license issued
31 under this article.

32 (c) The division may only issue a license for a special needs
33 foster family home that meets:

34 (1) all of the licensing requirements of a foster family home;
35 and

36 (2) the additional requirements described in this section.

37 (d) An applicant for a special needs foster family home license
38 must be licensed as a foster parent under 470 IAC 3-1-1 et seq. that
39 includes participating in twenty (20) hours of pre-service training.

40 (e) A person who is issued a license to operate a special needs
41 foster family home shall, within one (1) year after meeting the
42 training requirements of subsection (d) and annually thereafter,



C
O
P
Y

participate in twenty (20) hours of training that includes:

- (1) ten (10) hours of training as required in order to be licensed as a foster parent under 470 IAC 3-1-1 et seq.; and
- (2) ten (10) hours of additional training that includes specialized training to meet the child's specific needs.

(f) An operator of a special needs foster family home may not provide supervision and care as a special needs foster family home if more than:

- (1) eight (8) individuals, each of whom either:
 - (A) is less than eighteen (18) years of age; or
 - (B) is at least eighteen (18) years of age and is receiving care and supervision under an order of a juvenile court; or
- (2) four (4) individuals less than six (6) years of age;

including the children for whom the provider is a parent, stepparent, guardian, custodian, or other relative, receive care and supervision in the home at the same time. Not more than four (4) of the eight (8) individuals described in subdivision (1) may be less than six (6) years of age. The division may grant an exception to this section whenever the division determines that the placement of siblings in the same special needs foster home is desirable.

(g) The division shall consider the specific needs of each special needs foster child whenever the division determines the appropriate number of children to place in the special needs foster home under subsection (f). The division may require a special needs foster family home to provide care and supervision to less than the maximum number of children allowed under subsection (f) upon consideration of the specific needs of a special needs foster child.

SECTION 60. IC 12-21-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. The division of **addiction and mental health services** is established to apply the division's resources to ensure that Indiana citizens have access to appropriate mental health and addiction services that promote individual self-sufficiency.

SECTION 61. IC 12-21-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. The division is composed of the following:

- (1) The director.
- (2) The division of **addiction and mental health services** advisory council.
- (3) Other personnel necessary for the performance of the functions imposed upon the division under law.



SECTION 62. IC 12-21-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) The director shall develop a comprehensive system of monitoring, evaluation, and quality assurance for the continuum of care required by this chapter.

(b) The director shall determine to whom contracts are awarded, based on the following factors:

- (1) The continuity of services a contractor provides for patients.
- (2) The accessibility of a contractor's services to patients.
- (3) The acceptability of a contractor's services to patients.
- (4) A contractor's ability to focus services on building the self-sufficiency of the patient.

(c) This subsection applies to the reimbursement of contract payments to managed care providers. Payments must be determined prospectively in accordance with generally accepted accounting principles and actuarial principles recognizing costs incurred by efficiently and economically operated programs that:

- (1) serve mentally ill or substance abuse patients; and
- (2) are subject to quality and safety standards and laws.

(d) Before entering into a contract under this section, the director shall submit the contract to the attorney general for approval as to form and legality.

(e) A contract under this section must do the following:

- (1) Specify:
 - (A) the work to be performed; and
 - (B) the patient populations to whom services must be provided.
- (2) Provide for a reduction in funding or termination of the contract for failure to comply with terms of the contract.
- (3) Require that the contractor meet the standards set forth in rules adopted by the division of **addiction and mental health services** under IC 4-22-2.
- (4) Require that the contractor participate in the division's evaluation process.
- (5) For any service for which the division chooses to contract on a per diem basis, the per diem reimbursement shall be determined under subsection (c) for the contractor's reasonable cost of providing services.
- (6) In contracts with capitated payment provisions, provide that the contractor's cost of purchasing stop-loss insurance for the patient populations to be served in amounts and with limits customarily purchased by prepaid health care plans must be:
 - (A) included in the actuarial determination of the capitated



1 payment amounts; or

2 (B) separately paid to the contractor by the division.

3 (7) Provide that a contract for enumerated services granted by the
4 division under this section to an approved managed care provider
5 may not create or confer upon the managed care provider liability
6 or responsibility for care or services beyond those services
7 supported by the contract.

8 SECTION 63. IC 12-21-4-1 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this
10 chapter, "council" refers to the division of **addiction and** mental health
11 **services** advisory council established by this chapter.

12 SECTION 64. IC 12-21-4-2 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The division of
14 **addiction and** mental health **services** advisory council is established.

15 SECTION 65. IC 12-21-5-1.5 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1.5. The division shall
17 do the following:

18 (1) Adopt rules under IC 4-22-2 to establish and maintain criteria
19 to determine patient eligibility and priority for publicly supported
20 mental health and addiction services. The rules must include
21 criteria for patient eligibility and priority based on the following:

22 (A) A patient's income.

23 (B) A patient's level of daily functioning.

24 (C) A patient's prognosis.

25 (2) Within the limits of appropriated funds, contract with a
26 network of managed care providers to provide a continuum of
27 care in an appropriate setting that is the least restrictive to
28 individuals who qualify for the services.

29 (3) Require the providers of services funded directly by the
30 division to be in good standing with an appropriate accrediting
31 body as required by rules adopted under IC 4-22-2 by the
32 division.

33 (4) Develop a provider profile that must be used to evaluate the
34 performance of a managed care provider and that may be used to
35 evaluate other providers of mental health services that access state
36 administered funds, including Medicaid, and other federal
37 funding. A provider's profile must include input from consumers,
38 citizens, and representatives of the mental health ombudsman
39 program (IC 12-27-9) regarding the provider's:

40 (A) information provided to the patient on patient rights before
41 treatment;

42 (B) accessibility, acceptability, and continuity of services



C
o
p
y

- 1 provided or requested; and
- 2 (C) total cost of care per individual, using state administered
- 3 funds.
- 4 (5) Ensure compliance with all other performance criteria set
- 5 forth in a provider contract. In addition to the requirements set
- 6 forth in IC 12-21-2-7, a provider contract must include the
- 7 following:
- 8 (A) A requirement that the standards and criteria used in the
- 9 evaluation of care plans be available and accessible to the
- 10 patient.
- 11 (B) A requirement that the provider involve the patient in the
- 12 choice of and preparation of the treatment plan to the greatest
- 13 extent feasible.
- 14 (C) A provision encouraging the provider to intervene in a
- 15 patient's situation as early as possible, balancing the patient's
- 16 right to liberty with the need for treatment.
- 17 (D) A requirement that the provider set up and implement an
- 18 internal appeal process for the patient.
- 19 (6) Establish a toll free telephone number that operates during
- 20 normal business hours for individuals to make comments to the
- 21 division in a confidential manner regarding services or service
- 22 providers.
- 23 (7) Develop a confidential system to evaluate complaints and
- 24 patient appeals received by the division of **addiction and** mental
- 25 health **services** and to take appropriate action regarding the
- 26 results of an investigation. A managed care provider is entitled to
- 27 request and to have a hearing before information derived from the
- 28 investigation is incorporated into the provider's profile.
- 29 Information contained within the provider profile is subject to
- 30 inspection and copying under IC 5-14-3-3.
- 31 (8) Submit a biennial report to the governor and legislative
- 32 council that includes an evaluation of the continuum of care.
- 33 (9) Conduct an actuarial analysis July 1, 1994, July 1, 1996, and
- 34 then every four (4) years beginning July 1, 2000.
- 35 (10) Annually determine sufficient rates to be paid for services
- 36 contracted with managed care providers who are awarded a
- 37 contract under IC 12-21-2-7.
- 38 (11) Take actions necessary to assure the quality of services
- 39 required by the continuum of care under this chapter.
- 40 (12) Incorporate the results from the actuarial analysis in
- 41 subdivision (9) to fulfill the responsibilities of this section.
- 42 SECTION 66. IC 12-22-2-11 IS AMENDED TO READ AS

C
O
P
Y



FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 11. (a) An entity may not:

- (1) operate a program described in IC 12-22-3; or
- (2) hold itself out as operating;

- (A) a program described in IC 12-22-3; or

- (B) a group home for individuals who are mentally ill;

unless the entity is licensed or certified by the division of **addiction and mental health services**.

(b) The division of **addiction and mental health services** shall investigate a report of:

- (1) an unlicensed facility housing a community residential program described in section 3(1), 3(2), and 3(3) of this chapter;

- (2) an uncertified operator of a community residential program described in section 3(1), 3(2), and 3(3) of this chapter; or

- (3) a licensed or certified entity's noncompliance with this article;

and report the division's findings to the attorney general.

(c) The attorney general may do the following:

- (1) Seek the issuance of a search warrant to assist in an investigation under this section.

- (2) File an action for injunctive relief to stop the operation of a facility described in subsection (b) if there is reasonable cause to believe that:

- (A) the facility or the operator community residential program described in subsection (b) is operating without a required license or certification; or

- (B) a licensed or certified entity's actions or omissions create an immediate danger of serious bodily injury to a mentally ill individual or an imminent danger to the health of a mentally ill individual.

- (3) Seek in a civil action a civil penalty of not more than one hundred dollars (\$100) a day for each day a facility is operating:

- (A) without a license or certification required by law; or

- (B) with a license or certification required under this chapter, but is not in compliance with this article, IC 12-21-2-3, or rules adopted under this article or IC 12-21-2-3.

(d) The division of **addiction and mental health services** may provide for the removal of mentally ill individuals from facilities for the mentally ill described in subsection (c).

(e) There must be an opportunity for an informal meeting with the division of **addiction and mental health services** after injunctive relief is ordered under this section.

(f) The civil penalties collected under this section must be deposited



C
o
p
y

1 in the mental health centers fund (IC 6-7-1-32.1).

2 SECTION 67. IC 12-23-5-9 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 9. A court may not
4 order a defendant or a convicted individual to complete an alcohol and
5 drug services treatment program under section 2(b)(1) or 6(1) of this
6 chapter unless the court determines that the program in which the
7 individual is to participate is administered by a court under
8 IC 12-23-14 or is certified by the division of **addiction and** mental
9 health **services**.

10 SECTION 68. IC 12-23-7-14 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 14. The division may
12 not release an offender under section 2(2) of this chapter to an alcohol
13 and drug services treatment program that is not a program administered
14 by a court under IC 12-23-14 or that has not complied with the
15 certification requirements of the division of **addiction and** mental
16 health **services**.

17 SECTION 69. IC 12-24-1-3 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) The director of
19 the division of **addiction and** mental health **services** has administrative
20 control of and responsibility for the following state institutions:

- 21 (1) Central State Hospital.
- 22 (2) Evansville State Hospital.
- 23 (3) Evansville State Psychiatric Treatment Center for Children.
- 24 (4) Larue D. Carter Memorial Hospital.
- 25 (5) Logansport State Hospital.
- 26 (6) Madison State Hospital.
- 27 (7) Richmond State Hospital.
- 28 (8) Any other state owned or operated mental health institution.

29 (b) Subject to the approval of the director of the budget agency and
30 the governor, the director of the division of **addiction and** mental
31 health **services** may contract for the management and clinical operation
32 of Larue D. Carter Memorial Hospital.

33 SECTION 70. IC 12-24-1-7 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) During the
35 closing of Central State Hospital, and after the institution is closed, the
36 division of **addiction and** mental health **services** shall secure,
37 maintain, and fund appropriate long term inpatient beds for individuals
38 who have been determined by a community mental health center to:

- 39 (1) have a chronic and persistent mental disorder or chronic
40 addictive disorder; and
- 41 (2) be in need of care that meets the following criteria:
42 (A) Twenty-four (24) hour supervision of a patient is



C
o
p
y

available.

(B) A patient receives:

- (i) active treatment as appropriate for a chronic and persistent mental disorder or chronic addictive disorder;
- (ii) case management services from a state approved provider; and
- (iii) maintenance of care under the direction of a physician.

(C) Crisis care.

(b) An individual placed in a long term inpatient bed under this section shall receive at least the care described in subsection (a)(2)(A) through (a)(2)(C).

(c) The number of long term inpatient beds that must be secured, maintained, and funded under subsection (a) must satisfy both of the following:

(1) The number of long term inpatient beds in the county where the hospital was located may not be less than twenty-one (21) adults per one hundred thousand (100,000) adults in the county where the hospital was located.

(2) The total number of long term inpatient beds may not be less than twenty-one (21) adults per one hundred thousand (100,000) adults in the catchment area served by Central State Hospital. The division may reduce the total number of long term inpatient beds required by this subdivision whenever the division determines that caseloads justify a reduction. However:

(A) the total number of long term inpatient beds may not be reduced below the number required by subdivision (1); and

(B) the number of long term inpatient beds in the county where the hospital was located may not be reduced below the number required by subdivision (1).

(d) The division is not required to secure, maintain, and fund long term inpatient beds under this section that exceed the number of individuals who have been determined by a community mental health center to be in need of inpatient care under subsection (a). However, subject to the limitations of subsection (c), the division shall at all times retain the ability to secure, maintain, and fund long term inpatient beds for individuals who satisfy the criteria in subsection (a) as determined by the community mental health centers.

(e) An individual may not be placed in a long term inpatient bed under this section at Larue D. Carter Memorial Hospital if the placement adversely affects the research and teaching mission of the hospital.

(f) Notwithstanding any other law, the director of the division of



C
o
p
y

addiction and mental health services may not terminate normal patient care or other operations at Central State Hospital unless the division has developed a plan to comply with this section. Before closing Central State Hospital, the director shall submit a report to the legislative council containing the following information:

(1) The plans the division has made and implemented to comply with this section.

(2) The disposition of patients made and to be made from July 1, 1993, to the estimated date of closing of Central State Hospital.

(3) Other information the director considers relevant.

SECTION 71. IC 12-24-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this chapter, "division" refers only to the division of **addiction and mental health services**.

SECTION 72. IC 12-24-12-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. (a) Upon admission to a state institution administered by the division of **addiction and mental health services**, the gatekeeper is one (1) of the following:

(1) For an individual with a psychiatric disorder, the community mental health center that submitted the report to the committing court under IC 12-26.

(2) For an individual with a developmental disability, a division of disability, aging, and rehabilitative services service coordinator under IC 12-11-2.

(3) For an individual entering an addictions program, an addictions treatment provider that is certified by the division of **addiction and mental health services**.

(b) The division is the gatekeeper for the following:

(1) An individual who is found to have insufficient comprehension to stand trial under IC 35-36-3.

(2) An individual who is found to be not guilty by reason of insanity under IC 35-36-2-4 and is subject to a civil commitment under IC 12-26.

(3) An individual who is immediately subject to a civil commitment upon the individual's release from incarceration in a facility administered by the department of correction or the Federal Bureau of Prisons, or upon being charged with or convicted of a forcible felony under IC 35-41-1.

(4) An individual placed under the supervision of the division for addictions treatment under IC 12-23-7 and IC 12-23-8.

(5) An individual transferred from the department of correction under IC 11-10-4.



C
o
p
y

SECTION 73. IC 12-24-19-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) This chapter applies only to a patient who is transferred or discharged from a state institution administered by the division of **addiction and** mental health **services**.

(b) This chapter does not apply to any of the following:

- (1) An individual who is admitted to a state institution only for evaluation purposes.
- (2) An individual who is incompetent to stand trial.
- (3) An individual who has a developmental disability (as defined in IC 12-7-2-61).
- (4) An individual in an alcohol and drug services program who is not concurrently diagnosed as mentally ill.
- (5) An individual who has escaped from the facility to which the individual was involuntarily committed.
- (6) An individual who was admitted to a facility for voluntary treatment and who has left the facility against the advice of the attending physician.

SECTION 74. IC 12-24-19-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) As used in this section, "transitional care" means temporary treatment services to facilitate an individual's:

- (1) transfer from a mental health institution to a community residential setting; or
- (2) discharge from a mental health institution.

(b) The transitional care program shall assist consumers in making a smooth adjustment to community living and operate in collaboration with a managed care provider of services in the consumer's home area.

(c) Resources for the program shall come from the total appropriation for the facility, and may be adjusted to meet the needs of consumer demand by the director.

(d) Each state institution administered by the division of **addiction and** mental health **services** shall establish a transitional care program with adequate staffing patterns and employee skill levels for patients' transitional care needs where clinically appropriate.

(e) The transitional care program shall be staffed by transitional care specialists and at least one (1) transitional care case manager.

(f) A transitional care case manager must have at least a bachelor's degree and be trained in transitional care.

(g) Psychiatric attendants working in this program shall be trained, classified, and compensated as appropriate for a transitional care specialist.



1 SECTION 75. IC 12-26-6-8 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) If, upon the
 3 completion of the hearing and consideration of the record, the court
 4 finds that the individual is mentally ill and either dangerous or gravely
 5 disabled, the court may order the individual to:

- 6 (1) be committed to an appropriate facility; or
- 7 (2) enter an outpatient treatment program under IC 12-26-14 for
- 8 a period of not more than ninety (90) days.

9 (b) The court's order must require that the superintendent of the
 10 facility or the attending physician file a treatment plan with the court
 11 within fifteen (15) days of the individual's admission to the facility
 12 under a commitment order.

13 (c) If the commitment ordered under subsection (a) is to a state
 14 institution administered by the division of **addiction and** mental health
 15 **services**, the record of commitment proceedings must include a report
 16 from a community mental health center stating both of the following:

- 17 (1) That the community mental health center has evaluated the
- 18 individual.
- 19 (2) That commitment to a state institution administered by the
- 20 division of **addiction and** mental health **services** under this
- 21 chapter is appropriate.

22 (d) The physician who makes the statement required by section 2(c)
 23 of this chapter may be affiliated with the community mental health
 24 center that submits to the court the report required by subsection (c).

25 (e) If the commitment is of an adult to a research bed at Larue D.
 26 Carter Memorial Hospital as set forth in IC 12-21-2-3, the report from
 27 a community mental health center is not required.

28 (f) If a commitment ordered under subsection (a) is to a state
 29 institution administered by the division of disability, aging, and
 30 rehabilitative services, the record of commitment proceedings must
 31 include a report from a service coordinator employed by the division
 32 of disability, aging, and rehabilitative services stating that, based on a
 33 diagnostic assessment of the individual, commitment to a state
 34 institution administered by the division of disability, aging, and
 35 rehabilitative services under this chapter is appropriate.

36 SECTION 76. IC 12-26-7-3 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) A petition filed
 38 under section 2 of this chapter must include a physician's written
 39 statement that states both of the following:

- 40 (1) The physician has examined the individual within the past
- 41 thirty (30) days.
- 42 (2) The physician believes that the individual is:



C
O
P
Y

(A) mentally ill and either dangerous or gravely disabled; and
 (B) in need of custody, care, or treatment in a facility for a
 period expected to be more than ninety (90) days.

(b) Except as provided in subsection (d), if the commitment is to a
 state institution administered by the division of **addiction and** mental
 health **services**, the record of the proceedings must include a report
 from a community mental health center stating both of the following:

(1) The community mental health center has evaluated the
 individual.

(2) Commitment to a state institution administered by the division
 of **addiction and** mental health **services** under this chapter is
 appropriate.

(c) The physician who makes the statement required by subsection
 (a) may be affiliated with the community mental health center that
 makes the report required by subsection (b).

(d) If the commitment is of an adult to a research bed at Larue D.
 Carter Memorial Hospital, as set forth in IC 12-21-2-3, the report from
 a community mental health center is not required.

(e) If a commitment ordered under subsection (a) is to a state
 institution administered by the division of disability, aging, and
 rehabilitative services, the record of commitment proceedings must
 include a report from a service coordinator employed by the division
 of disability, aging, and rehabilitative services stating that, based on a
 diagnostic assessment of the individual, commitment to a state
 institution administered by the division of disability, aging, and
 rehabilitative services under this chapter is appropriate.

SECTION 77. IC 12-26-11-3.5 IS AMENDED TO READ AS
 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3.5. If an individual is
 transferred under section 1 of this chapter from a state institution
 administered by the division of **addiction and** mental health **services**,
 the gatekeeper for the individual shall facilitate and plan, together with
 the individual and state institution, the individual's transition to the
 community or to another facility if the facility is not a state institution
 administered by the division of **addiction and** mental health **services**.

SECTION 78. IC 12-27-9-3 IS AMENDED TO READ AS
 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. Within the limits of
 appropriated funds, the division of **addiction and** mental health
services shall contract in writing with a nonprofit corporation for the
 operation of the mental health ombudsman program. The nonprofit
 corporation must:

(1) be qualified to receive tax deductible contributions under
 Section 170 of the Internal Revenue Code;



C
O
P
Y

(2) have offices statewide; and

(3) have experience in mental health advocacy.

SECTION 79. IC 12-27-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) If the ombudsman believes that the agency, facility, or program has failed to comply with the ombudsman's recommendations, the ombudsman shall refer the matter to the division of **addiction and mental health services** or the Indiana protection and advocacy services commission as appropriate.

(b) The ombudsman shall compile annual statistics on each agency, facility, or program on which it reviews a complaint or conducts an investigation and determines that the complaint has merit or the investigation reveals a problem. The statistics must specify the types of complaints or problems and each agency, facility, or program that has failed to comply with the ombudsman's recommendations. The statistics shall be reported to the director of the division of **addiction and mental health services**.

SECTION 80. IC 12-29-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) On the first Monday in October, the county auditor shall certify to:

(1) the division of **addiction and mental health services**, for a community mental health center;

(2) the division of disability, aging, and rehabilitative services, for a community mental retardation and other developmental disabilities center; and

(3) the president of the board of directors of each center; the amount of money that will be provided to the center under this chapter.

(b) The county payment to the center shall be paid by the county treasurer to the treasurer of each center's board of directors in the following manner:

(1) One-half (1/2) of the county payment to the center shall be made on the second Monday in July.

(2) One-half (1/2) of the county payment to the center shall be made on the second Monday in December.

A county treasurer making a payment under this subsection or from other county sources to a community mental health center that qualifies as a community mental health center disproportionate share provider under IC 12-15-16-1(d) shall certify that the payment represents expenditures eligible for financial participation under 42 U.S.C. 1396b(w)(6)(A) and 42 CFR 433.51. The office of Medicaid policy and planning shall assist a county treasurer in making this certification.



(c) Payments by the county fiscal body:

(1) must be in the amounts:

(A) determined by IC 12-29-2-1 through IC 12-29-2-6; and

(B) authorized by section 1 of this chapter; and

(2) are in place of grants from agencies supported within the county solely by county tax money.

SECTION 81. IC 12-29-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. This chapter applies only to the funding of a program of services for the mentally ill that is designated as a community mental health center by the division of **addiction and mental health services** in the division's approval of the program.

SECTION 82. IC 12-29-2-13 IS AMENDED TO READ AS FOLLOWS (CURRENT VERSION) [EFFECTIVE JULY 1, 1999]: Sec. 13. (a) This section applies to a county having a population of not less than four hundred thousand (400,000) but not more than seven hundred thousand (700,000).

(b) In addition to any other appropriation under this article, a county annually may fund each center serving the county from the county's general fund in an amount not exceeding the amount that would be raised by a tax rate of three cents (\$0.03) on each one hundred dollars (\$100) of taxable property within the county.

(c) The receipts from the tax levied under this section shall be used for the leasing, purchasing, constructing, or operating of community residential facilities for the chronically mentally ill (as defined in IC 12-7-2-167).

(d) Money appropriated under this section must be:

(1) budgeted under IC 6-1.1-17; and

(2) included in the center's budget submitted to the division of **addiction and mental health services**.

(e) Permission for a levy increase in excess of the levy limitations may be ordered under IC 6-1.1-18.5-15 only if the levy increase is approved by the division of **addiction and mental health services** for a community mental health center.

SECTION 83. IC 12-29-2-13 IS AMENDED TO READ AS FOLLOWS (DELAYED VERSION) [EFFECTIVE MARCH 1, 2001]: Sec. 13. (a) This section applies to a county having a population of not less than four hundred thousand (400,000) but not more than seven hundred thousand (700,000).

(b) In addition to any other appropriation under this article, a county annually may fund each center serving the county from the county's general fund in an amount not exceeding the amount that would be

C
o
p
y



1 raised by a tax rate of one cent (\$0.01) on each one hundred dollars
2 (\$100) of taxable property within the county.

3 (c) The receipts from the tax levied under this section shall be used
4 for the leasing, purchasing, constructing, or operating of community
5 residential facilities for the chronically mentally ill (as defined in
6 IC 12-7-2-167).

7 (d) Money appropriated under this section must be:

8 (1) budgeted under IC 6-1.1-17; and

9 (2) included in the center's budget submitted to the division of
10 **addiction and mental health services**.

11 (e) Permission for a levy increase in excess of the levy limitations
12 may be ordered under IC 6-1.1-18.5-15 only if the levy increase is
13 approved by the division of **addiction and mental health services** for
14 a community mental health center.

15 SECTION 84. IC 12-29-2-14 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 14. (a) An entity may
17 not:

18 (1) hold itself out to be a community mental health center; or

19 (2) use the term "community mental health center";

20 unless the entity is certified by the division of **addiction and mental**
21 **health services**.

22 (b) The division of **addiction and mental health services** shall
23 investigate a report that an entity is operating as a community mental
24 health center without the approval of the division of **addiction and**
25 **mental health services** and report the division's findings to the attorney
26 general.

27 (c) Upon receiving a report made under subsection (b), the attorney
28 general may do the following:

29 (1) Seek the issuance of a search warrant to assist in the
30 investigation.

31 (2) File an action for injunctive relief to stop the operation of the
32 entity that is the subject of the report if there is reasonable cause
33 to believe that the entity is operating without the required
34 approval of the division of **addiction and mental health services**.

35 (3) File an action for injunctive relief to stop the entity that is the
36 subject of the report from using the term "community mental
37 health center".

38 (4) Seek in a civil action a civil penalty of not more than one
39 hundred dollars (\$100) a day for each day an entity is operating
40 without the required approval of the division of **addiction and**
41 **mental health services**.

42 (d) An opportunity for an informal meeting with the division of

C
o
p
y



1 **addiction and** mental health **services** must be provided after the
2 injunctive relief is ordered.

3 (e) The civil penalties collected under this section must be deposited
4 in the mental health centers fund (IC 6-7-1-32.1).

5 SECTION 85. IC 16-32-2-3 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. The committee shall
7 be composed of the following members:

8 (1) The director of the division of disability, aging, and
9 rehabilitative services or the director's designee.

10 (2) The commissioner of the Indiana department of administration
11 or the commissioner's designee.

12 (3) The executive director of the governor's planning council on
13 people with disabilities.

14 (4) The director of the division of **addiction and** mental health
15 **services** or the director's designee.

16 (5) The commissioner of the state department of health or the
17 commissioner's designee.

18 (6) Three (3) members appointed by the governor to represent the
19 public at large.

20 SECTION 86. IC 16-39-2-2 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. A record for each
22 patient receiving mental health services shall be maintained by the
23 provider. The mental health record must contain the information that
24 the division of **addiction and** mental health **services**, the division of
25 disability, aging, and rehabilitative services, or the state department
26 requires by rule. The provider is:

27 (1) the owner of the mental health record;

28 (2) responsible for the record's safekeeping; and

29 (3) entitled to retain possession of the record.

30 The information contained in the mental health record belongs to the
31 patient involved as well as to the provider. The provider shall maintain
32 the original mental health record or a microfilm of the mental health
33 record for at least seven (7) years.

34 SECTION 87. IC 16-39-2-6, AS AMENDED BY SEA 40-1999, IS
35 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:
36 Sec. 6. (a) Without the consent of the patient, the patient's mental
37 health record may only be disclosed as follows:

38 (1) To individuals who meet the following conditions:

39 (A) Are employed by:

40 (i) the provider at the same facility or agency;

41 (ii) a managed care provider (as defined in
42 IC 12-7-2-127(b)); or

C
O
P
Y

(iii) a health care provider or mental health care provider, if the mental health records are needed to provide health care or mental health services to the patient.

(B) Are involved in the planning, provision, and monitoring of services.

(2) To the extent necessary to obtain payment for services rendered or other benefits to which the patient may be entitled, as provided in IC 16-39-5-3.

(3) To the patient's court appointed counsel and to the Indiana protection and advocacy services commission.

(4) For research conducted in accordance with IC 16-39-5-3 and the rules of the division of **addiction and mental health services**, the rules of the division of disability, aging, and rehabilitative services, or the rules of the provider.

(5) To the division of **addiction and mental health services** for the purpose of data collection, research, and monitoring managed care providers (as defined in IC 12-7-2-127(b)) who are operating under a contract with the division of **addiction and mental health services**.

(6) To the extent necessary to make reports or give testimony required by the statutes pertaining to admissions, transfers, discharges, and guardianship proceedings.

(7) To a law enforcement agency if any of the following conditions are met:

(A) A patient escapes from a facility to which the patient is committed under IC 12-26.

(B) The superintendent of the facility determines that failure to provide the information may result in bodily harm to the patient or another individual.

(C) A patient commits or threatens to commit a crime on facility premises or against facility personnel.

(D) A patient is in the custody of a law enforcement officer or agency for any reason and:

(i) the information to be released is limited to medications currently prescribed for the patient or to the patient's history of adverse medication reactions; and

(ii) the provider determines that the release of the medication information will assist in protecting the health, safety, or welfare of the patient.

Mental health records released under this clause must be maintained in confidence by the law enforcement agency receiving them.

C
O
P
Y



(8) To a coroner or medical examiner, in the performance of the individual's duties.

(9) To a school in which the patient is enrolled if the superintendent of the facility determines that the information will assist the school in meeting educational needs of a person with a disability under 20 U.S.C. 1400 et seq.

(10) To the extent necessary to satisfy reporting requirements under the following statutes:

(A) IC 12-10-3-10.

(B) IC 12-17-2-16.

(C) IC 12-24-17-5.

(D) IC 16-41-2-3.

(E) IC 31-33-5-4.

(F) IC 34-30-16-2.

(G) IC 35-46-1-13.

(11) To the extent necessary to satisfy release of information requirements under the following statutes:

(A) IC 12-24-11-2.

(B) IC 12-24-12-3, IC 12-24-12-4, and IC 12-24-12-6.

(C) IC 12-26-11.

(12) To another health care provider in a health care emergency.

(13) For legitimate business purposes as described in IC 16-39-5-3.

(14) Under a court order under IC 16-39-3.

(15) With respect to records from a mental health or developmental disability facility, to the United States Secret Service if the following conditions are met:

(A) The request does not apply to alcohol or drug abuse records described in 42 U.S.C. 290dd-2 unless authorized by a court order under 42 U.S.C. 290dd-2(b)(2)(c).

(B) The request relates to the United States Secret Service's protective responsibility and investigative authority under 18 U.S.C. 3056, 18 U.S.C. 871, or 18 U.S.C. 879.

(C) The request specifies an individual patient.

(D) The director or superintendent of the facility determines that disclosure of the mental health record may be necessary to protect a person under the protection of the United States Secret Service from serious bodily injury or death.

(E) The United States Secret Service agrees to only use the mental health record information for investigative purposes and not disclose the information publicly.

(F) The mental health record information disclosed to the



United States Secret Service includes only:

- (i) the patient's name, age, and address;
- (ii) the date of the patient's admission to or discharge from the facility; and
- (iii) any information that indicates whether or not the patient has a history of violence or presents a danger to the person under protection.

(b) After information is disclosed under subsection (a)(15) and if the patient is evaluated to be dangerous, the records shall be interpreted in consultation with a licensed mental health professional on the staff of the United States Secret Service.

(c) A person who discloses information under subsection (a)(7) or (a)(15) in good faith is immune from civil and criminal liability.

SECTION 88. IC 16-42-20-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. The addiction services bureau of the division of **addiction and** mental health **services** shall carry out educational programs designed to prevent and deter misuse and abuse of controlled substances. In connection with these programs, the bureau may do the following:

- (1) Promote better recognition of the problems of misuse and abuse of controlled substances within the regulated industry and among interested groups and organizations.
- (2) Assist the regulated industry and interested groups and organizations in contributing to the reduction of misuse and abuse of controlled substances.
- (3) Consult with interested groups and organizations to aid the groups and organizations in solving administrative and organizational problems.
- (4) Evaluate procedures, projects, techniques, and controls conducted or proposed as part of educational programs on misuse and abuse of controlled substances.
- (5) Disseminate the results of research on misuse and abuse of controlled substances to promote a better public understanding of what problems exist and what can be done to combat the problems.
- (6) Assist in the education and training of state and local law enforcement officials in efforts to control misuse and abuse of controlled substances.

SECTION 89. IC 16-42-20-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 9. The addiction services bureau of the division of **addiction and** mental health **services** shall encourage research on misuse and abuse of controlled substances.



C
O
P
Y

In connection with the research and in furtherance of the enforcement of laws relating to controlled substances, the bureau may do the following:

(1) Establish methods to assess accurately the effects of controlled substances and identify and characterize those with potential for abuse.

(2) Make studies and undertake programs of research to do the following:

(A) Develop new or improved approaches, techniques, systems, equipment, and devices to strengthen the enforcement of laws relating to controlled substances.

(B) Determine patterns of misuse and abuse of controlled substances and the social effects of such behavior.

(C) Improve methods for preventing, predicting, understanding, and dealing with the misuse and abuse of controlled substances.

(3) Enter into contracts with public agencies, institutions of higher education, and private organizations or individuals for the purpose of conducting research, demonstrations, or special projects that bear directly on misuse and abuse of controlled substances.

SECTION 90. IC 16-42-20-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. The addiction services bureau of the division of **addiction and** mental health **services** may enter into contracts for educational and research activities without performance bonds.

SECTION 91. IC 16-46-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) The council consists of the following seventeen (17) members:

(1) Two (2) members of the house of representatives from different political parties appointed by the speaker of the house of representatives.

(2) Two (2) members of the senate from different political parties appointed by the president pro tempore of the senate.

(3) The governor or the governor's designee.

(4) The state health commissioner or the commissioner's designee.

(5) The director of the division of family and children or the director's designee.

(6) The superintendent of public instruction or the superintendent's designee.

(7) The director of the division of **addiction and** mental health



C
o
p
y

1 **services** or the director's designee.

2 (8) The commissioner of the department of correction or the
3 commissioner's designee.

4 (9) The director of the division of disability, aging, and
5 rehabilitative services or the director's designee.

6 (10) One (1) representative of a public health care facility
7 appointed by the governor.

8 (11) One (1) licensed physician appointed by the governor who
9 has knowledge and experience in the special health needs of
10 minorities.

11 (12) One (1) psychologist appointed by the governor who:

12 (A) is licensed to practice psychology in Indiana; and

13 (B) has knowledge and experience in the special health needs
14 of minorities.

15 (13) Three (3) members appointed by the governor, who represent
16 statewide organizations concerned with the health, economic,
17 social, or educational needs of minorities. However, at least one
18 (1) of the members must be a member of the Indiana minority
19 health coalition.

20 (b) At least fifty percent (50%) of the members of the council must
21 be minorities.

22 SECTION 92. IC 20-1-1.8-13 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 13. (a) The step ahead
24 statewide panel is established to implement the step ahead program.

25 (b) The panel consists of the following members:

26 (1) Six (6) members who:

27 (A) shall be appointed by and serve at the pleasure of the
28 governor; and

29 (B) are selected from representatives of the following state
30 agencies:

31 (i) Division of **addiction and** mental health **services**.

32 (ii) State department of health.

33 (iii) Division of children and family services.

34 (iv) Budget agency.

35 (v) Division of aging and rehabilitative services.

36 (vi) Department of education.

37 (vii) Executive staff of the lieutenant governor with
38 knowledge in the area of employment and training
39 programs.

40 (viii) Executive staff of the governor.

41 (2) Five (5) members who:

42 (A) shall be appointed by and serve at the pleasure of the

C
O
P
Y



- 1 governor;
 2 (B) are representative of the private sector; and
 3 (C) are knowledgeable in the field of early childhood
 4 development.
- 5 (3) Four (4) members who:
 6 (A) shall be appointed by and serve at the pleasure of the state
 7 superintendent of public instruction; and
 8 (B) are knowledgeable in early childhood education.
- 9 (c) The chairman of the panel shall be appointed by the governor
 10 from outside of the membership of the panel as described in subsection
 11 (b). The chairman serves at the pleasure of the governor.
- 12 SECTION 93. IC 20-1-6-2.1 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2.1. (a) There is created
 14 under the Indiana state board of education a division of special
 15 education, which shall exercise all the power and duties set out in this
 16 chapter. The governor shall appoint, upon the recommendation of the
 17 state superintendent of public instruction, a director of special
 18 education who serves at the pleasure of the governor. The amount of
 19 compensation of the director shall be fixed by the budget agency with
 20 the approval of the governor. The duties of the director are as follows:
- 21 (1) To have general supervision of all programs, classes, and
 22 schools, including those conducted by the public schools, the
 23 department of correction, the state department of health, the
 24 division of disability, aging, and rehabilitative services, and the
 25 division of **addiction and mental health services**, for children
 26 with disabilities and to coordinate the work of these schools. In
 27 addition, relative to programs for preschool children with
 28 disabilities as required under section 14.1 of this chapter, the
 29 director has general supervision over programs, classes, and
 30 schools, including those conducted by the schools or other state
 31 or local service providers as contracted for under section 14.1 of
 32 this chapter. However, general supervision does not include the
 33 determination of admission standards for the state departments,
 34 boards, or agencies authorized to provide programs or classes
 35 under this chapter.
- 36 (2) To adopt, with the approval of the Indiana state board of
 37 education, rules governing the curriculum and instruction,
 38 including licensing of personnel in the field of education, as
 39 provided by law.
- 40 (3) To inspect and rate all schools, programs, or classes for
 41 children with disabilities to maintain proper standards of
 42 personnel, equipment, and supplies.



(4) With the consent of the state superintendent of public instruction and the budget agency, to appoint and fix salaries for any assistants and other personnel needed to enable the director to accomplish the duties of the director's office.

(5) To adopt, with the approval of the Indiana state board of education, the following:

(A) Rules governing the identification and evaluation of children with disabilities and their placement under an individualized education program in a special education program.

(B) Rules protecting the rights of a child with a disability and the parents of the child with a disability in the identification, evaluation, and placement process.

(6) To make recommendations to the Indiana state board of education concerning standards and case load ranges for related services to assist each teacher in meeting the individual needs of each child according to that child's individualized education program. The recommendations may include the following:

(A) The number of teacher aides recommended for each exceptionality included within the class size ranges.

(B) The role of the teacher aide.

(C) Minimum training recommendations for teacher aides and recommended procedures for the supervision of teacher aides.

(7) To cooperate with the interagency coordinating council established under IC 12-17-15 to ensure that the preschool special education programs required under section 14.1 of this chapter are consistent with the early intervention services program described in IC 12-17-15.

(b) The director or the Indiana state board of education may exercise authority over vocational programs for children with disabilities through a letter of agreement with the department of workforce development.

SECTION 94. IC 20-1-6-15.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 15.1. (a) For the purposes of this section, "comprehensive plan" means a plan for educating all children with disabilities that a school corporation is required to educate under sections 14 through 14.1 of this chapter, and those additional children with disabilities that it elects to educate.

(b) The Indiana state board of education shall adopt rules under IC 4-22-2 detailing the contents of the comprehensive plan. Each school corporation shall complete and submit to the state superintendent of public instruction a comprehensive plan. School

C
o
p
y



corporations operating cooperative or joint special education services may submit a single comprehensive plan. In addition, if a school corporation enters into a contractual agreement as permitted under section 14.1 of this chapter, the school corporation shall collaborate with the service provider in formulating the comprehensive plan.

(c) Notwithstanding the age limits set out in section 1 of this chapter, the Indiana state board of education may conduct a program for the early identification of children with disabilities, between the ages of birth and twenty-one (21), not served by the public schools or through a contractual agreement under section 14.1 of this chapter, and may utilize agencies that serve children with disabilities other than the public schools.

(d) The Indiana state board of education shall adopt rules under IC 4-22-2 requiring the department of correction, the state department of health, the division of disability, aging, and rehabilitative services, and the division of **addiction and mental health services** to submit to the superintendent of public instruction a plan for the provision of special education for children in programs administered by each respective agency who are entitled to a special education.

(e) The superintendent of public instruction shall furnish professional consultant services to the school corporations, the department of correction, the state department of health, the division of disability, aging, and rehabilitative services, and the division of **addiction and mental health services** to aid them in fulfilling the requirements of this section.

SECTION 95. IC 20-1-6-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 16. (a) The superintendent shall appoint a state advisory council on the education of children with disabilities whose duties shall consist of providing policy guidance concerning special education and related services for children with disabilities. The superintendent shall appoint at least seventeen (17) members who shall serve for a period of four (4) years. Vacancies shall be filled in like manner for the unexpired balance of the term.

(b) The members must be citizens of Indiana who are representative of the state's population and selected on the basis of their involvement in or concern with the education of children with disabilities. A majority of the members must be individuals with disabilities or the parents of children with disabilities. Members must include the following:

- (1) Parents of children with disabilities.
- (2) Individuals with disabilities.



C
o
p
y

- 1 (3) Teachers.
- 2 (4) Representatives of higher education institutions that prepare
- 3 special education and related services personnel.
- 4 (5) State and local education officials.
- 5 (6) Administrators of programs for children with disabilities.
- 6 (7) Representatives of state agencies involved in the financing or
- 7 delivery of related services to children with disabilities, including
- 8 the following:
 - 9 (A) The commissioner of the state department of health or the
 - 10 commissioner's designee.
 - 11 (B) The director of the division of disability, aging, and
 - 12 rehabilitative services or the director's designee.
 - 13 (C) The director of the division of **addiction and** mental
 - 14 health **services** or the director's designee.
 - 15 (D) The director of the division of family and children or the
 - 16 director's designee.
- 17 (8) Representatives of nonpublic schools and freeway schools.
- 18 (9) One (1) or more representatives of vocational, community, or
- 19 business organizations concerned with the provision of
- 20 transitional services to children with disabilities.
- 21 (10) Representatives of the department of correction.
- 22 (c) The responsibilities of the state advisory council are as follows:
 - 23 (1) To advise the superintendent and the board regarding all rules
 - 24 pertaining to children with disabilities.
 - 25 (2) To recommend approval or rejection of completed
 - 26 comprehensive plans submitted by school corporations acting
 - 27 individually or on a joint school services program basis with other
 - 28 corporations.
 - 29 (3) To advise the department of unmet needs within the state in
 - 30 the education of children with disabilities.
 - 31 (4) To provide public comment on rules proposed by the board
 - 32 regarding the education of children with disabilities.
 - 33 (5) To advise the department in developing evaluations and
 - 34 reporting data to the United States Secretary of Education under
 - 35 20 U.S.C. 1418.
 - 36 (6) To advise the department in developing corrective action
 - 37 plans to address findings identified in federal monitoring reports
 - 38 under 20 U.S.C. 1400 et seq.
 - 39 (7) To advise the department in developing and implementing
 - 40 policies related to the coordination of services for children with
 - 41 disabilities.
 - 42 (d) The council shall organize with a chairperson selected by the



1 superintendent and meet as often as necessary to conduct the council's
 2 business at the call of the chairperson upon ten (10) days written notice
 3 but not less than four (4) times a year. Members of the council shall be
 4 entitled to reasonable amounts for expenses necessarily incurred in the
 5 performance of their duties.

6 (e) The superintendent shall designate the director to act as
 7 executive secretary of the council and shall furnish all professional and
 8 clerical assistance necessary for the performance of its powers and
 9 duties.

10 (f) The affirmative votes of a majority of the members appointed to
 11 the council are required for the council to take action.

12 SECTION 96. IC 20-1-6-18.2 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 18.2. (a) The Indiana
 14 state board of education shall adopt rules under IC 4-22-2 which
 15 establish limitations on the amount of transportation which may be
 16 provided in the student's individualized education program. Unless
 17 otherwise specially shown to be essential by the child's individualized
 18 education program, in case of residency in a public or private facility,
 19 these rules shall limit the transportation required by the student's
 20 individualized education program to his first entrance and final
 21 departure each school year plus round trip transportation each school
 22 holiday period and two (2) additional round trips each school year.

23 (b) Whenever a student is a transfer student receiving special
 24 education in a public school, the state or school corporation responsible
 25 for the payment of transfer tuition under IC 20-8.1-6.1-1 shall bear the
 26 cost of transportation required by the student's individualized education
 27 program. However, if a transfer student was counted as an eligible
 28 student for purposes of a distribution in a calendar year under
 29 IC 21-3-3.1, the transportation costs that the transferee school may
 30 charge for a school year ending in the calendar year shall be reduced
 31 by the sum of the following:

32 (1) The quotient of the amount of money that the transferee
 33 school is eligible to receive under IC 21-3-3.1-2.1 for the calendar
 34 year in which the school year ends divided by the number of
 35 eligible students for the transferee school for the calendar year (as
 36 determined under IC 21-3-3.1-2.1).

37 (2) The amount of money that the transferee school is eligible to
 38 receive under IC 21-3-3.1-4 for the calendar year in which the
 39 school year ends for the transportation of the transfer student
 40 during the school year.

41 (c) Whenever a student receives a special education in a facility
 42 operated by the state department of health, the division of disability,



C
o
p
y

aging, and rehabilitative services, or the division of **addiction and mental health services**, the school corporation in which the student has legal settlement shall bear the cost of transportation required by the student's individualized education program. However, if the student's legal settlement cannot be ascertained, the Indiana state board of education shall bear the cost of transportation required by the student's individualized education program.

(d) Whenever a student is placed in a private facility under section 19 of this chapter in order to receive a special education because the student's school corporation cannot provide an appropriate special education program, the school corporation in which the student has legal settlement shall bear the cost of transportation required by the student's individualized education program. However, if the student's legal settlement cannot be ascertained, the Indiana state board of education shall bear the cost of transportation required by the student's individualized education program.

SECTION 97. IC 20-1-6.1-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 13. (a) The rehabilitation services bureau, the bureau providing services to individuals who are developmentally disabled, and the division of **addiction and mental health services** shall provide each school corporation with written material describing the ongoing adult services available to students with disabilities and the procedures to be used to access those services.

(b) The material shall be provided in sufficient numbers to allow each student and, if the student's family is involved, each student's family to receive a copy at the annual case review described in section 8 of this chapter or as authorized under section 12 of this chapter.

SECTION 98. IC 20-8.1-6.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) A student who is placed in a state licensed private or public health care facility, child care facility, or foster family home:

- (1) by or with the consent of the division of family and children;
- (2) by a court order; or
- (3) by a child-placing agency licensed by the division of family and children;

may attend school in the school corporation in which the home or facility is located. If the school corporation in which the home or facility is located is not the school corporation in which the student has legal settlement, the school corporation in which the student has legal settlement shall pay the transfer tuition of the student.

(b) A student who is placed in a state licensed private or public



health care or child care facility by a parent or guardian may attend school in the school corporation in which the facility is located if:

- (1) the placement is necessary for the student's physical or emotional health and well-being; and
- (2) the placement is for no less than four (4) weeks.

The school corporation in which the student has legal settlement shall pay the transfer tuition of the student. The parent or guardian of the student shall notify the school corporation in which the facility is located and the school corporation of the student's legal settlement, if identifiable, of the placement. No later than thirty (30) days after this notice, the school corporation of legal settlement shall either pay the transfer tuition of the transferred student or appeal the payment by notice to the department of education. The acceptance or notice of appeal by the school corporation shall be given by certified mail to the parent or guardian of the student and any affected school corporation. In the case of a student who is not identified as disabled under IC 20-1-6, the Indiana state board of education shall make a determination on transfer tuition in accordance with the procedures set out in section 10 of this chapter. In the case of a student who has been identified as disabled under IC 20-1-6, the determination on transfer tuition shall be made in accordance with this subsection and the procedures adopted by the Indiana state board of education under IC 20-1-6-2.1(a)(5).

(c) A student who is placed in:

- (1) an institution operated by the division of disability, aging, and rehabilitative services or the division of **addiction and mental health services**; or
- (2) an institution, a public or private facility, a home, a group home, or an alternative family setting by the division of disability, aging, and rehabilitative services or the division of **addiction and mental health services**;

may attend school in the school corporation in which the institution is located. The state shall pay the transfer tuition of the student, unless another entity is required to pay the transfer tuition as a result of a placement described in subsection (a) or (b) or another state is obligated to pay the transfer tuition.

SECTION 99. IC 22-3-2-2.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2.3. (a) As used in this section, "volunteer worker" means a person who:

- (1) performs services:
 - (A) for a state institution (as defined in IC 12-7-2-184); and
 - (B) for which the person does not receive compensation of any



C
O
P
Y

1 nature; and
 2 (2) has been approved and accepted as a volunteer worker by the
 3 director of:

4 (A) the division of disability, aging, and rehabilitative
 5 services; or

6 (B) the division of **addiction and mental health services**.

7 (b) Services of any nature performed by a volunteer worker for a
 8 state institution (as defined in IC 12-7-2-184) are governmental
 9 services. A volunteer worker is subject to the medical benefits
 10 described under IC 22-3-2 through IC 22-3-6. However, a volunteer
 11 worker is not under IC 22-3-2 through IC 22-3-6.

12 SECTION 100. IC 25-23.6-3-2 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) This article may
 14 not be construed to limit the marriage and family therapy services
 15 performed by a person who does not use a title specified in this article
 16 and who is one (1) of the following:

17 (1) A licensed or certified health care professional acting within
 18 the scope of the person's license or certificate.

19 (2) A student, an intern, or a trainee pursuing a course of study in
 20 medicine or psychology or a course of study to gain licensure
 21 under this article in an accredited institution of higher education
 22 or training institution, or is a graduate accumulating experience
 23 required for licensure if:

24 (A) the activities are performed under qualified supervision
 25 and constitute a part of the person's supervised course of study
 26 or other level of supervision; and

27 (B) the student or graduate uses a title that contains the term
 28 "intern" or "trainee";

29 (3) Not a resident of Indiana if the person performed services in
 30 Indiana for not more than five (5) days in any one (1) month and
 31 not more than fifteen (15) days in any one (1) calendar year and
 32 the person is authorized to perform such services under the laws
 33 of the state or country in which the person resides.

34 (4) A rabbi, priest, Christian Science practitioner, minister, or
 35 other member of the clergy.

36 (5) An employee of or a volunteer for a nonprofit corporation or
 37 an organization performing charitable, religious, or educational
 38 functions, providing pastoral counseling or other assistance.

39 (6) A person who provides school counseling or a person who is
 40 certified by a state or national organization that is recognized by
 41 the Indiana division of **addiction and mental health services** and
 42 who provides counseling in the areas of alcohol or drug abuse



1 addictions.

2 (b) Nothing in this section prohibits a person referred to in
3 subsection (a) from qualifying for licensure under this article.

4 SECTION 101. IC 25-23.6-4-3 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. A person who is not
6 licensed under this article may use the title "social service designee" if
7 the person:

- 8 (1) provides or assures provision of social services in:
9 (A) a health facility licensed under IC 16-28;
10 (B) a hospital licensed under IC 16-21 or IC 12-25;
11 (C) a substance abuse facility certified by the division of
12 **addiction and mental health services**;
13 (D) a home health agency licensed under IC 16-27-1; or
14 (E) a community health center; and
15 (2) does not profess to be:
16 (A) a licensed social worker; or
17 (B) licensed under this article.

18 SECTION 102. IC 25-23.6-4.5-2 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) This article may
20 not be construed to limit the mental health counseling services
21 performed by a person who does not use a title specified in this article
22 and who is one (1) of the following:

- 23 (1) A licensed or certified health care professional acting within
24 the scope of the person's license or certificate.
25 (2) A student, an intern, or a trainee pursuing a course of study in
26 medicine, psychology, or a course of study to gain licensure under
27 this article in an accredited institution of higher education or
28 training institution, or is a graduate accumulating experience
29 required for licensure if:
30 (A) the services are performed under qualified supervision and
31 constitute a part of the person's supervised course of study or
32 other level of supervision; and
33 (B) the student or graduate uses a title that contains the term
34 "intern" or "trainee".
35 (3) Not a resident of Indiana if the person performed the services
36 in Indiana for not more than five (5) days in any one (1) month or
37 fifteen (15) days within any one (1) calendar year and the person
38 is authorized to perform such services under the laws of the state
39 or country in which the person resides.
40 (4) A rabbi, priest, Christian Science practitioner, minister, or
41 other member of the clergy.
42 (5) An employee or a volunteer for a nonprofit corporation or an



organization performing charitable, religious, or educational functions, providing pastoral counseling, or providing other assistance.

(6) A person who provides school counseling or a person who is certified by a state or national organization that is recognized by the Indiana division of **addiction and mental health services** and who provides counseling in the areas of alcohol or drug abuse addictions.

(b) Nothing in this section prohibits a person referred to in subsection (a) from qualifying for licensure under this article.

SECTION 103. IC 27-8-5-15.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 15.5. (a) As used in this section:

"Alcohol abuse" has the meaning set forth in IC 12-7-2-10.

"Community mental health center" has the meaning set forth in IC 12-7-2-38 and IC 12-7-2-39.

"Division of **addiction and mental health services**" refers to the division created under IC 12-21-1-1.

"Drug abuse" has the meaning set forth in IC 12-7-2-72.

"Inpatient services" means services that require the beneficiary of the services to remain overnight in the facility in which the services are offered.

"Mental illness" has the meaning set forth in IC 12-7-2-130(1).

"Psychiatric hospital" has the meaning set forth in IC 12-7-2-151.

"State department of health" refers to the department established under IC 16-19-1-1.

"Substance abuse" means drug abuse or alcohol abuse.

(b) An insurance policy that provides coverage for inpatient services for the treatment of:

(1) mental illness;

(2) substance abuse; or

(3) both mental illness and substance abuse;

may not exclude coverage for inpatient services for the treatment of mental illness or substance abuse that are provided by a community mental health center or by any psychiatric hospital licensed by the state department of health or the division of **addiction and mental health services** to offer those services.

SECTION 104. IC 29-3-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. The chief of social services (or a person designated by the chief of social services) at any institution under the control of the division of **addiction and mental health services** or the division of disability, aging, and rehabilitative



1 services may execute the necessary documents to make applications on
 2 behalf of a patient in the institution to receive public assistance or to
 3 transfer the patient to an alternate care facility without the appointment
 4 of a guardian or other order of court.

5 SECTION 105. IC 31-38-2-10 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. The division of
 7 family and children shall:

8 (1) provide information to:

9 (A) each referring agency;

10 (B) the division of **addiction and mental health services**; and

11 (C) the department of education;

12 concerning their duties and responsibilities under this chapter;

13 (2) organize local, regional, or statewide meetings necessary to
 14 prepare referring and member agencies for participation on a local
 15 coordinating committee;

16 (3) develop guidelines for local coordinating committees
 17 concerning the form and content of reports submitted to the
 18 division of family and children under this chapter;

19 (4) monitor and evaluate the performance of local coordinating
 20 committees; and

21 (5) make recommendations to the general assembly concerning
 22 the need for and availability of services for children in Indiana.

23 SECTION 106. IC 34-30-2-47.3 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 47.3. IC 12-23-12-2
 25 (Concerning the division of **addiction and mental health services** or
 26 its agents for exercise of discretion regarding notification or consent
 27 when a minor seeks voluntary addiction treatment).

28 SECTION 107. IC 35-36-2-5 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) Except as
 30 provided by subsection (e), whenever a defendant is found guilty but
 31 mentally ill at the time of the crime or enters a plea to that effect that
 32 is accepted by the court, the court shall sentence the defendant in the
 33 same manner as a defendant found guilty of the offense.

34 (b) Before sentencing the defendant under subsection (a), the court
 35 shall require the defendant to be evaluated by a physician licensed
 36 under IC 25-22.5 who practices psychiatric medicine, a licensed
 37 psychologist, or a community mental health center (as defined in
 38 IC 12-7-2-38). However, the court may waive this requirement if the
 39 defendant was evaluated by a physician licensed under IC 25-22.5 who
 40 practices psychiatric medicine, a licensed psychologist, or a community
 41 mental health center and the evaluation is contained in the record of the
 42 defendant's trial or plea agreement hearing.



C
O
P
Y

(c) If a defendant who is found guilty but mentally ill at the time of the crime is committed to the department of correction, the defendant shall be further evaluated and then treated in such a manner as is psychiatrically indicated for the defendant's mental illness. Treatment may be provided by:

(1) the department of correction; or

(2) the division of **addiction and** mental health **services** after transfer under IC 11-10-4.

(d) If a defendant who is found guilty but mentally ill at the time of the crime is placed on probation, the court may, in accordance with IC 35-38-2-2.3, require that the defendant undergo treatment.

(e) As used in this subsection, "mentally retarded individual" has the meaning set forth in IC 35-36-9-2. If a court determines under IC 35-36-9 that a defendant who is charged with a murder for which the state seeks a death sentence is a mentally retarded individual, the court shall sentence the defendant under IC 35-50-2-3(a).

SECTION 108. IC 35-36-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) If at any time before the final submission of any criminal case to the court or the jury trying the case, the court has reasonable grounds for believing that the defendant lacks the ability to understand the proceedings and assist in the preparation of his defense, the court shall immediately fix a time for a hearing to determine whether the defendant has that ability. The court shall appoint two (2) or three (3) competent, disinterested psychiatrists, psychologists endorsed by the Indiana state board of examiners in psychology as health service providers in psychology, or physicians, at least one (1) of whom must be a psychiatrist, who shall examine the defendant and testify at the hearing as to whether the defendant can understand the proceedings and assist in the preparation of the defendant's defense.

(b) At the hearing, other evidence relevant to whether the defendant has the ability to understand the proceedings and assist in the preparation of the defendant's defense may be introduced. If the court finds that the defendant has the ability to understand the proceedings and assist in the preparation of the defendant's defense, the trial shall proceed. If the court finds that the defendant lacks this ability, it shall delay or continue the trial and order the defendant committed to the division of **addiction and** mental health **services**, to be confined by the division in an appropriate psychiatric institution.

SECTION 109. IC 35-36-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. Whenever the defendant attains the ability to understand the proceedings and assist

C
o
p
y



1 in the preparation of the defendant's defense, the division of **addiction**
 2 **and** mental health **services**, through the superintendent of the
 3 appropriate psychiatric institution, shall certify that fact to the proper
 4 court, which shall enter an order directing the sheriff to return the
 5 defendant. The court may enter such an order immediately after being
 6 sufficiently advised of the defendant's attainment of the ability to
 7 understand the proceedings and assist in the preparation of the
 8 defendant's defense. Upon the return to court of any defendant
 9 committed under section 1 of this chapter, the court shall hold the trial
 10 as if no delay or postponement had occurred.

11 SECTION 110. IC 35-36-3-3 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. Within ninety (90)
 13 days after a defendant's admittance to a psychiatric institution, the
 14 superintendent of the psychiatric institution shall certify to the proper
 15 court whether the defendant has a substantial probability of attaining
 16 the ability to understand the proceedings and assist in the preparation
 17 of the defendant's defense within the foreseeable future. If a substantial
 18 probability does not exist, the division of **addiction and** mental health
 19 **services** shall initiate regular commitment proceedings under IC 12-26.
 20 If a substantial probability does exist, the division of **addiction and**
 21 mental health **services** shall retain the defendant:

22 (1) until the defendant attains the ability to understand the
 23 proceedings and assist in the preparation of the defendant's
 24 defense and is returned to the proper court for trial; or

25 (2) for six (6) months from the date of the defendant's admittance;
 26 whichever first occurs.

27 SECTION 111. IC 35-36-3-4 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. If a defendant who
 29 was found under section 3 of this chapter to have had a substantial
 30 probability of attaining the ability to understand the proceedings and
 31 assist in the preparation of the defendant's defense has not attained that
 32 ability within six (6) months after the date of the defendant's
 33 admittance to a psychiatric institution, the division of **addiction and**
 34 mental health **services** shall institute regular commitment proceedings
 35 under IC 12-26.

36 SECTION 112. IC 35-47-2.5-7 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) The state police
 38 department shall provide its response to a requesting dealer under
 39 section 6 of this chapter during the dealer's call, or by return call
 40 without delay.

41 (b) If a criminal history check indicates that a prospective purchaser
 42 or transferee has a disqualifying criminal record or has been acquitted



by reason of insanity and committed to the custody of the division of **addiction and mental health services**, the state police department has until the end of the next business day of the state police department to advise the dealer that the records indicate the buyer or transferee is prohibited from possessing or transporting a firearm by state or federal law.

(c) If a dealer:

(1) is not advised of a prohibition before the end of the next business day of the state police department; and

(2) has fulfilled the requirements of section 4 of this chapter; the dealer may immediately complete the sale or transfer and may not be considered in violation of this chapter with respect to the sale or transfer.

(d) In case of electronic failure or other circumstances beyond the control of the state police department, the dealer shall be advised immediately of the reason for the delay and be given an estimate of the length of the delay. However, after a notification under this subsection, the state police department shall inform the requesting dealer whether state police department records indicate the buyer or transferee is prohibited from possessing or transporting a firearm by state or federal law not later than:

(1) the end of the next business day of the state police department following correction of the problem that caused the delay; or

(2) three (3) business days of the state police department; whichever is earlier.

(e) A dealer that fulfills the requirements of section 4 of this chapter and is told by the state police department that a response will not be available under subsection (d) may immediately complete the sale or transfer and may not be considered in violation of this chapter with respect to the sale or transfer.

SECTION 113. [EFFECTIVE JULY 1, 1999] (a) **After June 30, 1999, a reference to the division of mental health in any statute or rule is considered a reference to the division of addiction and mental health services.**

(b) **After June 30, 1999, all property, assets, and liabilities of the division of mental health are property, assets, and liabilities of the division of addiction and mental health services.**

SECTION 114. [EFFECTIVE UPON PASSAGE] **The office of the secretary of family and social services, in order to carry out the requirement of IC 12-8-1-14, as added by this act, shall:**

(1) **determine methods to facilitate the payment of providers participating in the Medicaid program; and**



C
O
P
Y

(2) submit a written report of its findings and activities to the legislative council before July 1, 1999.

SECTION 115. [EFFECTIVE JULY 1, 1999] (a) As used in this SECTION, "division" refers to the division of family and children established by IC 12-13-1-1.

(b) As used in this SECTION, "special needs foster child" means a child who:

- (1) is placed in a foster family home by the division of family and children;
- (2) has a mental, a physical, or an emotional disability; and
- (3) will require additional supervision or assistance in behavior management, activities of daily living, or management of medical problems.

(c) As used in this SECTION, "therapeutic foster child" means a child who:

- (1) is placed in a foster family home by the division of family and children;
- (2) is seriously emotionally disturbed or developmentally disabled; and
- (3) receives treatment in a foster family home through an integrated array of services supervised and supported by qualified program staff from:
 - (A) the office of the secretary of family and social services;
 - (B) a managed care provider that contracts with the division of mental health; or
 - (C) a licensed child placing agency.

(d) Except as provided in subsection (e), the division may not remove a special needs foster child or a therapeutic foster child from a foster family home in which the child is placed before July 1, 1999, because the foster family home does not meet the requirements for operating a:

- (1) therapeutic foster family home under IC 12-17.4-4-1.5, as added by this act; or
- (2) special needs foster family home under IC 12-17.4-4-1.7, as added by this act.

(e) The division may remove a special needs foster child or a therapeutic foster child from a foster family home in which the child is placed before July 1, 1999, because the foster family home does not meet the requirements described in subsection (d)(1) or (d)(2) if the division determines that remaining in the foster family home is not in the child's best interest.

SECTION 116. An emergency is declared for this act.



SENATE MOTION

Mr. President: I move that Senator Craycraft be added as second author and Senator Riegsecker be added as coauthor of Senate Bill 260.

MILLER

C
o
p
y



COMMITTEE REPORT

Mr. President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill 260, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 4, after "providers" insert "**participating in the Medicaid program**".

and when so amended that said bill do pass.

(Reference is to Senate Bill 260 as introduced.)

MILLER, Chairperson

Committee Vote: Yeas 9, Nays 0.

C
o
p
y



COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Senate Bill 260, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-1-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) No individual may be compelled by any state agency, board, commission, department, bureau, or other entity of state government (referred to as "state agency" in this chapter) to provide the individual's Social Security number to the state agency against the individual's will, absent federal requirements to the contrary. However, the provisions of this chapter do not apply to the following:

- (1) Department of state revenue.
- (2) Department of workforce development.
- (3) The programs administered by:
 - (A) the division of family and children;
 - (B) the division of **addiction and mental health services**;
 - (C) the division of disability, aging, and rehabilitative services;
 - and
 - (D) the office of Medicaid policy and planning;
 of the office of the secretary of family and social services.
- (4) Auditor of state.
- (5) State personnel department.
- (6) Secretary of state, with respect to the registration of broker-dealers, agents, and investment advisors.
- (7) The legislative ethics commission, with respect to the registration of lobbyists.
- (8) Indiana department of administration, with respect to bidders on contracts.
- (9) Indiana department of transportation, with respect to bidders on contracts.
- (10) Health professions bureau.
- (11) Indiana professional licensing agency.
- (12) Indiana department of insurance, with respect to licensing of insurance agents.
- (13) A pension fund administered by the board of trustees of the public employees' retirement fund.
- (14) The Indiana state teachers' retirement fund.
- (15) The state police benefit system.

ES 260—LS 6862/DI 98+



C
o
p
y

(b) The bureau of motor vehicles may, notwithstanding this chapter, require the following:

- (1) That an individual include the individual's Social Security number in an application for an official certificate of title for any vehicle required to be titled under IC 9-17.
- (2) That an individual include the individual's Social Security number on an application for registration.
- (3) That a corporation, limited liability company, firm, partnership, or other business entity include its federal tax identification number on an application for registration.

(c) The Indiana department of administration, the Indiana department of transportation, the health professions bureau, and the Indiana professional licensing agency may require an employer to provide its federal employer identification number.

(d) The department of correction may require a committed offender to provide the offender's Social Security number for purposes of matching data with the Social Security Administration to determine benefit eligibility.

(e) The Indiana gaming commission may, notwithstanding this chapter, require the following:

- (1) That an individual include the individual's Social Security number in any application for a riverboat owner's license, supplier's license, or occupational license.
- (2) That a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, or any other business entity include its federal tax identification number on an application for a riverboat owner's license or supplier's license.

SECTION 2. IC 4-15-2-3.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3.8. "State service" means public service by:

- (1) employees and officers, including the incumbent directors, of the county offices of family and children; and
- (2) employees and officers, except members of boards and commissions or individuals hired for or appointed to, after June 30, 1982, positions as appointing authorities, deputies, assistants reporting to appointing authorities, or supervisors of major units within state agencies, irrespective of the title carried by those positions, of the division of disability, aging, and rehabilitative services, Fort Wayne State Developmental Center, Muscatatuck State Developmental Center, New Castle State Developmental Center, Northern Indiana State Developmental Center, division of **addiction and mental health services**, Larue D. Carter Memorial



C
O
P
Y

Hospital, Evansville State Psychiatric Treatment Center for Children, Central State Hospital, Evansville State Hospital, Logansport State Hospital, Madison State Hospital, Richmond State Hospital, state department of health, Indiana School for the Blind, Indiana School for the Deaf, Indiana Veterans' Home, Indiana Soldiers' and Sailors' Children's Home, Silvercrest Children's Development Center, department of correction, Westville Correctional Facility, Plainfield Juvenile Correctional Facility, Putnamville Correctional Facility, Indianapolis Juvenile Correctional Facility, Indiana State Prison, Indiana Women's Prison, Pendleton Correctional Facility, Reception and Diagnostic Center, Rockville Correctional Facility, Youth Rehabilitation Facility, Plainfield Correctional Facility, department of fire and building services, state emergency management agency (excluding a county emergency management organization and any other local emergency management organization created under IC 10-4-1), civil rights commission, criminal justice planning agency, department of workforce development, Indiana historical bureau, Indiana state library, division of family and children, Indiana state board of animal health, Federal Surplus Property Warehouse, Indiana education employment relations board, public employees' retirement fund, teachers' retirement fund, department of labor, Indiana protection and advocacy services commission, commission on public records, Indiana horse racing commission, and state personnel department.

SECTION 3. IC 4-33-4-21.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 21.2. (a) The Indiana gaming commission shall require a licensed owner to conspicuously display the number of the toll free telephone line described in IC 4-33-12-6 in the following locations:

- (1) On each admission ticket to a riverboat gambling excursion.
- (2) On a poster or placard that is on display in a public area of each riverboat where gambling games are conducted.
- (b) The toll free telephone line described in IC 4-33-12-6 must be:
 - (1) maintained by the division of **addiction and** mental health **services** under IC 12-23-1-6; and
 - (2) funded by the addiction services fund established by IC 12-23-2-2.
- (c) The commission may adopt rules under IC 4-22-2 necessary to carry out this section.

SECTION 4. IC 4-33-12-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) The department



C
o
p
y

shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsection (c), the treasurer of state shall quarterly pay the following amounts:

(1) One dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

- (i) is described in IC 4-33-6-1(a)(1) through IC 4-33-6-1(a)(4) or in IC 4-33-6-1(b); or
- (ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) One dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during a quarter shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the division of **addiction and mental health services**. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a riverboat during the quarter shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

C
O
P
Y



(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(c) With respect to tax revenue collected from a riverboat that operates on Patoka Lake, the treasurer of state shall quarterly pay the following amounts:

(1) The counties described in IC 4-33-1-1(3) shall receive one dollar (\$1) of the admissions tax collected for each person embarking on the riverboat during the quarter. This amount shall be divided equally among the counties described in IC 4-33-1-1(3).

(2) The Patoka Lake development account established under IC 4-33-15 shall receive one dollar (\$1) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(3) The resource conservation and development program that:

(A) is established under 16 U.S.C. 3451 et seq.; and

(B) serves the Patoka Lake area;

shall receive forty cents (\$0.40) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(4) The state general fund shall receive fifty cents (\$0.50) of the admissions tax collected for each person embarking on the riverboat during the quarter.

(5) The division of **addiction and mental health services** shall receive ten cents (\$0.10) of the admissions tax collected for each person embarking on the riverboat during the quarter. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(d) Money paid to a unit of local government under subsection (b)(1) through (b)(2) or subsection (c)(1):

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum or actual levy under IC 6-1.1-18.5; and

C
o
p
y



(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4.

(e) Money paid by the treasurer of state under subsection (b)(3) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(f) Money received by the division of **addiction and mental health services** under subsections (b)(5) and (c)(5):

(1) is annually appropriated to the division of **addiction and mental health services**;

(2) shall be distributed to the division of **addiction and mental health services** at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of **addiction and mental health services** for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

SECTION 5. IC 5-1-16-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this chapter:

"Authority" refers to the Indiana health facility financing authority.

"Bonds" includes bonds, refunding bonds, notes, interim certificates, bond anticipation notes, and other evidences of indebtedness of the authority, issued under this chapter.

"Building" or "buildings" or similar words mean any building or part of a building or addition to a building for health care purposes. The term includes the site for the building (if a site is to be acquired), equipment, heating facilities, sewage disposal facilities, landscaping, walks, drives, parking facilities, and other structures, facilities, appurtenances, materials, and supplies that may be considered necessary to render a building suitable for use and occupancy for health care purposes.

"Cost" includes the following:

(1) The cost and the incidental and related costs of the



acquisition, repair, restoration, reconditioning, refinancing, or installation of health facility property.

(2) The cost of any property interest in health facility property, including an option to purchase a leasehold interest.

(3) The cost of constructing health facility property, or an addition to health facility property, acquiring health facility property, or remodeling health facility property.

(4) The cost of architectural, engineering, legal, trustee, underwriting, and related services; the cost of the preparation of plans, specifications, studies, surveys, and estimates of cost and of revenue; and all other expenses necessary or incident to planning, providing, or determining the need for or the feasibility and practicability of health facility property.

(5) The cost of financing charges, including premiums or prepayment penalties and interest accrued during the construction of health facility property or before the acquisition and installation or refinancing of such health facility property for up to two (2) years after such construction, acquisition, and installation or refinancing and startup costs related to health facility property for up to two (2) years after such construction, acquisition, and installation or refinancing.

(6) The costs paid or incurred in connection with the financing of health facility property, including out-of-pocket expenses, the cost of any policy of insurance; the cost of printing, engraving, and reproduction services; and the cost of the initial or acceptance fee of any trustee or paying agent.

(7) The costs of the authority, incurred in connection with providing health facility property, including reasonable sums to reimburse the authority for time spent by its agents or employees in providing and financing health facility property.

(8) The cost paid or incurred for the administration of any program for the purchase or lease of or the making of loans for health facility property, by the authority and any program for the sale or lease of or making of loans for health facility property to any participating provider.

"County" means any county in the state that owns and operates a county hospital.

"Health facility property" means any tangible or intangible property or asset owned or used by a participating provider and which:

(1) is determined by the authority to be necessary or helpful, directly or indirectly, to provide:

(A) health care;



- (B) medical research;
- (C) training or teaching of health care personnel;
- (D) habilitation, rehabilitation, or therapeutic services; or
- (E) any related supporting services;

in Indiana, regardless of whether such property is in existence at the time of, or is to be provided after the making of, such finding;

(2) is a residential facility for:

- (A) the physically, mentally, or emotionally disabled;
- (B) the physically or mentally ill; or
- (C) the elderly; or

(3) is a licensed child caring institution providing residential care described in IC 12-7-2-29(1).

"Health facility" means any facility or building owned or used by a participating provider which is utilized, directly or indirectly:

(1) in:

- (A) health care;
- (B) habilitation, rehabilitation, or therapeutic services;
- (C) medical research;
- (D) the training or teaching of health care personnel; or
- (E) any related supporting services;

(2) to provide a residential facility for:

- (A) the physically, mentally, or emotionally disabled;
- (B) the physically or mentally ill; or
- (C) the elderly; or

(3) as a child caring institution and provides residential care described in IC 12-7-2-29(1).

"Net revenues" means the revenues of a hospital remaining after provision for proper and reasonable expenses of operation, repair, replacement, and maintenance of the hospital.

"Participating provider" means a person, corporation, municipal corporation, political subdivision, or other entity, public or private, which:

(1) is:

- (A) licensed under IC 12-25, IC 16-21, or IC 16-28;
- (B) a regional blood center;
- (C) a community mental health center or community mental retardation and other developmental disabilities center (as defined in IC 12-7-2-38 and IC 12-7-2-39);
- (D) an entity that contracts with the division of **addiction and mental health services** to provide the program described in IC 12-11-2 or IC 12-22-2;
- (E) a vocational rehabilitation center established under



C
O
P
Y

IC 12-12-1-4(1);

(F) the owner or operator of a facility that is utilized, directly or indirectly, to provide health care, habilitation, rehabilitation, therapeutic services, medical research, the training or teaching of health care personnel, or any related supporting services, or of a residential facility for the physically, mentally, or emotionally disabled, physically or mentally ill, or the elderly;

(G) a licensed child caring institution providing residential care described in IC 12-7-2-29(1);

(H) an integrated health care system between or among providers, a health care purchasing alliance, a health insurer or third party administrator that is a participant in an integrated health care system, a health maintenance or preferred provider organization, or a foundation that supports a health care provider; or

(I) an individual, a business entity, or a governmental entity that owns an equity or membership interest in any of the organizations described in clauses (A) through (H); and

(2) under this chapter, contracts with the authority for the financing or refinancing of, or the lease or other acquisition of, health facility property.

"Regional blood center" means a nonprofit corporation or corporation created under 36 U.S.C. 1 that:

(1) is:

(A) accredited by the American Association of Blood Banks; or

(B) registered or licensed by the Food and Drug Administration of the Department of Health and Human Services; and

(2) owns and operates a health facility that is primarily engaged in:

(A) drawing, testing, processing, and storing human blood and providing blood units or components to Indiana hospitals; or

(B) harvesting, testing, typing, processing, and storing human body tissue and providing this tissue to Indiana hospitals.

SECTION 6. IC 5-20-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. As used in this chapter:

"Assisted" means, with respect to a loan:

(1) the payment by the United States or any duly authorized agency thereof of assistance payments, interest payments, or mortgage reduction payments with respect to such loan; or

(2) the provision of insurance, guaranty, security, collateral,

C
O
P
Y



subsidies, or other forms of assistance or aid acceptable to the authority for the making, holding, or selling of a loan from the United States, any duly authorized agency thereof, or any entity or corporation acceptable to the authority, other than the sponsor.

"Authority" means the Indiana housing finance authority created under this chapter.

"Bonds" or "notes" means the bonds or notes authorized to be issued by the authority under this chapter.

"Development costs" means the costs approved by the authority as appropriate expenditures and credits which may be incurred by sponsors, builders, and developers of residential housing prior to commitment and initial advance of the proceeds of a construction loan or of a mortgage, including but not limited to:

- (1) payments for options to purchase properties on the proposed residential housing site, deposits on contracts of purchase, or, with prior approval of the authority, payments for the purchase of such properties;
- (2) legal, organizational, and marketing expenses, including payments of attorney's fees, project manager, clerical, and other incidental expenses;
- (3) payment of fees for preliminary feasibility studies and advances for planning, engineering, and architectural work;
- (4) expenses for surveys as to need and market analyses;
- (5) necessary application and other fees;
- (6) credits allowed by the authority to recognize the value of service provided at no cost by the sponsors, builders, or developers; and
- (7) such other expenses as the authority deems appropriate for the purposes of this chapter.

"Governmental agency" means any department, division, public agency, political subdivision, or other public instrumentality of the state of Indiana, the federal government, any other state or public agency, or any two (2) or more thereof.

"Construction loan" means a loan to provide interim financing for the acquisition or construction of single family residential housing, including land development.

"Mortgage" or "mortgage loan" means a loan to provide permanent financing for:

- (1) the rehabilitation, acquisition, or construction of single family residential housing, including land development; or
- (2) the weatherization of single family residences.

"Mortgage lender" means a bank, trust company, savings bank,

C
o
p
y



savings association, credit union, national banking association, federal savings association or federal credit union maintaining an office in this state, a public utility (as defined in IC 8-1-2-1), a gas utility system organized under IC 8-1-11.1, an insurance company authorized to do business in this state, or any mortgage banking firm or mortgagee authorized to do business in this state and approved by either the authority or the Department of Housing and Urban Development.

"Land development" means the process of acquiring land primarily for residential housing construction for persons and families of low and moderate income and making, installing, or constructing nonresidential housing improvements, including water, sewer, and other utilities, roads, streets, curbs, gutters, sidewalks, storm drainage facilities, and other installations or works, whether on or off the site, which the authority deems necessary or desirable to prepare such land primarily for residential housing construction.

"Obligations" means any bonds or notes authorized to be issued by the authority under this chapter.

"Persons and families of low and moderate income" means persons and families of insufficient personal or family income to afford adequate housing as determined by the standards established by the authority, and in determining such standards the authority shall take into account the following:

- (1) The amount of total income of such persons and families available for housing needs.
- (2) The size of the family.
- (3) The cost and condition of housing facilities available in the different geographic areas of the state.
- (4) The ability of such persons and families to compete successfully in the private housing market and to pay the amounts at which private enterprise is providing sanitary, decent, and safe housing.

The standards shall, however, comply with the applicable limitations of section 4(b) of this chapter.

"Residential facility for children" means a facility:

- (1) that provides residential services to individuals who are:
 - (A) under twenty-one (21) years of age; and
 - (B) adjudicated to be children in need of services under IC 31-34 (or IC 31-6-4 before its repeal) or delinquent children under IC 31-37 (or IC 31-6-4 before its repeal); and
- (2) that is:
 - (A) a child caring institution that is or will be licensed under IC 12-17.4;



C
O
P
Y

(B) a residential facility that is or will be licensed under IC 12-28-5; or

(C) a facility that is or will be certified by the division of **addiction and mental health services** under IC 12-23.

"Residential facility for the developmentally disabled" means a facility that is approved for use in a community residential program for the developmentally disabled under IC 12-11-2-1(1), IC 12-11-2-1(2), or IC 12-11-2-1(3).

"Residential facility for the mentally ill" means a facility that is approved by the division of **addiction and mental health services** for use in a community residential program for the mentally ill under IC 12-22-2-3(1), IC 12-22-2-3(2), IC 12-22-2-3(3), or IC 12-22-2-3(4).

"Residential housing" means a specific work or improvement undertaken primarily to provide single or multiple family housing for rental or sale to persons and families of low and moderate income, including the acquisition, construction, or rehabilitation of lands, buildings, and improvements thereto, and such other nonhousing facilities as may be incidental or appurtenant thereto.

"Sponsors", "builders", or "developers" means corporations, associations, partnerships, limited liability companies, or other entities and consumer housing cooperatives organized pursuant to law for the primary purpose of providing housing to low and moderate income persons and families.

"State" means the state of Indiana.

"Tenant programs and services" means services and activities for persons and families living in residential housing, including the following:

- (1) Counseling on household management, housekeeping, budgeting, and money management.
- (2) Child care and similar matters.
- (3) Access to available community services related to job training and placement, education, health, welfare, and other community services.
- (4) Guard and other matters related to the physical security of the housing residents.
- (5) Effective management-tenant relations, including tenant participation in all aspects of housing administration, management, and maintenance.
- (6) Physical improvements of the housing, including buildings, recreational and community facilities, safety measures, and removal of code violations.
- (7) Advisory services for tenants in the creation of tenant



organizations which will assume a meaningful and responsible role in the planning and carrying out of housing affairs.

(8) Procedures whereby tenants, either individually or in a group, may be given a hearing on questions relating to management policies and practices either in general or in relation to an individual or family.

SECTION 7. IC 5-20-4-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 15. (a) The housing trust fund advisory committee is established.

(b) The committee consists of sixteen (16) members to be appointed by the governor as follows:

- (1) One (1) member of the division of **addiction and** mental health **services**.
- (2) One (1) member of the division of family and children.
- (3) One (1) member of the division of disability, aging, and rehabilitative services.
- (4) One (1) member of the department of commerce.
- (5) One (1) member to represent residential real estate developers.
- (6) One (1) member to represent construction trades.
- (7) One (1) member to represent banks and other lending institutions.
- (8) One (1) member to represent the interests of persons with disabilities.
- (9) One (1) member to represent service providers.
- (10) Two (2) members to represent neighborhood groups.
- (11) One (1) member to represent low income families.
- (12) One (1) member to represent nonprofit community based organizations and community development corporations.
- (13) One (1) member to represent real estate brokers or salespersons.
- (14) One (1) member to represent the Indiana Apartment Owner's Association.
- (15) One (1) member to represent the manufactured housing industry.

At least three (3) members of the committee shall be from a city with a population of less than thirty-five thousand (35,000), a town, or a rural area.

(c) Members of the advisory committee shall serve a term of three (3) years. However, the governor may remove for cause an appointed member of the advisory committee and fill vacancies of appointed members on the advisory committee.

(d) The advisory committee shall make recommendations to the



C
O
P
Y

housing finance authority regarding:

- (1) the development of policies and procedures under section 14 of this chapter; and
- (2) long term sources to capitalize the housing trust fund, including the following:
 - (A) Revenue from development ordinances, fees, or taxes.
 - (B) Market based or private revenue.
 - (C) Revenue generated from government programs, foundations, private individuals, or corporations.

(e) The advisory committee shall prepare and present an annual report that:

- (1) describes disbursements under the housing trust fund; and
- (2) makes recommendations to the board of the Indiana housing finance authority regarding long term sources to capitalize the housing trust fund.

SECTION 8. IC 6-7-1-32.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 32.1. (a) The money in the mental health centers fund is annually appropriated to the division of **addiction and mental health services**.

(b) The division may use the money:

- (1) to pay the state's share of the cost of acquiring sites for, constructing, remodeling, equipping, or operating community mental health centers; and
- (2) to provide grants for a partial facility if there is a reasonable assurance that the facility will provide community mental health services within five (5) years after it provides any partial service to the public.

SECTION 9. IC 7.1-6-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The division of **addiction and mental health services** established under IC 12-21 shall coordinate the conduct of random unannounced inspections at locations where tobacco products are sold or distributed to ensure compliance with this article. Only the commission, an Indiana law enforcement agency, the office of the sheriff of a county, or an organized police department of a municipal corporation may conduct the random unannounced inspections. These entities may use retired or off-duty law enforcement officers to conduct inspections under this section.

SECTION 10. IC 7.1-6-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. The division of **addiction and mental health services** established under IC 12-21 shall annually prepare for submission to the Secretary of the United States Department of Health and Human Services the report required by

C
O
P
Y



Section 1926 of the Public Health Service Act (42 U.S.C. 300x-26) and implementing regulations promulgated under that act.

SECTION 11. IC 9-18-32.2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. Effective 1-1-2000.

(a) The annual fee described in section 3(a)(2) of this chapter shall be deposited with the treasurer of state in a special account. Money in the account at the end of a state fiscal year does not revert to the state general fund.

(b) The auditor of state shall monthly distribute the money in the special account established under subsection (a) to the Indiana Communities for Drug-Free Youth, Inc., or its successor organization, if the Indiana Communities for Drug-Free Youth, Inc., or its successor organization meets the following requirements:

- (1) The organization is an Indiana nonprofit corporation.
- (2) The organization is exempt from federal income taxation under Internal Revenue Code 501(c)(3).

However, if an organization does not meet these requirements, the treasurer of state shall create a segregated account within the addiction services fund established under IC 12-23-2-2, and the auditor of state shall deposit the money in the account to be distributed to the division of **addiction and mental health services**.

(c) An organization that receives money under subsection (b) shall distribute the money to local nonprofit organizations at least semiannually for drug abuse education and prevention initiatives.

SECTION 12. IC 9-24-15-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6.5. (a) The court shall grant a petition for a restricted driving permit filed under this chapter if all of the following conditions exist:

- (1) The person was not convicted of one (1) or more of the following:
 - (A) A Class D felony under IC 9-30-5-4 before July 1, 1996, or a Class D felony or a Class C felony under IC 9-30-5-4 after June 30, 1996.
 - (B) A Class C felony under IC 9-30-5-5 before July 1, 1996, or a Class C felony or a Class B felony under IC 9-30-5-5 after June 30, 1996.
- (2) The person's driving privileges were suspended under IC 9-30-6-9(b) or IC 35-48-4-15.
- (3) The driving that was the basis of the suspension was not in connection with the person's work.
- (4) The person does not have a previous conviction for operating while intoxicated.



C
o
p
y

(5) The person is participating in a rehabilitation program certified by the division of **addiction and mental health services** as a condition of the person's probation.

(b) The person filing the petition for a restricted driving permit shall include in the petition the information specified in subsection (a) in addition to the information required by sections 3 through 4 of this chapter.

(c) Whenever the court grants a person restricted driving privileges under this chapter, that part of the court's order granting probationary driving privileges shall not take effect until the person's driving privileges have been suspended for at least thirty (30) days under IC 9-30-6-9.

SECTION 13. IC 9-30-10-9, AS AMENDED BY SEA 40-1999, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Sec. 9. (a) If a court finds that a person:

- (1) is a habitual violator under section 4(c) of this chapter;
- (2) has not been previously placed on probation under this section by a court;
- (3) operates a vehicle for commercial or business purposes, and the person's mileage for commercial or business purposes:
 - (A) is substantially in excess of the mileage of an average driver; and
 - (B) may have been a factor that contributed to the person's poor driving record; and
- (4) does not have:
 - (A) a judgment for a violation enumerated in section 4(a) of this chapter; or
 - (B) at least three (3) judgments (singularly or in combination and not arising out of the same incident) of the violations enumerated in section 4(b) of this chapter;

the court may place the person on probation in accordance with subsection (c).

(b) If a court finds that a person:

- (1) is a habitual violator under section 4(b) of this chapter;
- (2) has not been previously placed on probation under this section by a court;
- (3) does not have a judgment for any violation listed in section 4(a) of this chapter;
- (4) has had the person's driving privileges suspended under this chapter for at least five (5) consecutive years; and
- (5) has not violated the terms of the person's suspension by operating a vehicle;



C
O
P
Y

the court may place the person on probation in accordance with subsection (c). However, if the person has any judgments for operation of a vehicle while intoxicated or with at least ten-hundredths percent (0.10%) alcohol by weight in grams in one hundred (100) milliliters of the blood, or two hundred ten (210) liters of the breath, the court, before the court places a person on probation under subsection (c), must find that the person has successfully fulfilled the requirements of a rehabilitation program certified by the division of **addiction and mental health services**.

(c) Whenever a court places a habitual violator on probation, the court:

- (1) shall record each of the court's findings under this section in writing;
- (2) shall obtain the person's driver's license or permit and send the license or permit to the bureau;
- (3) shall direct the person to apply to the bureau for a restricted driver's license;
- (4) shall order the bureau to issue the person an appropriate license;
- (5) shall place the person on probation for a fixed period of not less than three (3) years and not more than ten (10) years;
- (6) shall attach restrictions to the person's driving privileges, including restrictions limiting the person's driving to:
 - (A) commercial or business purposes or other employment related driving;
 - (B) specific purposes in exceptional circumstances; and
 - (C) rehabilitation programs;
- (7) shall order the person to file proof of financial responsibility for three (3) years following the date of being placed on probation; and
- (8) may impose other appropriate conditions of probation.

(d) If a court finds that a person:

- (1) is a habitual violator under section 4(b) or 4(c) of this chapter;
- (2) does not have any judgments for violations under section 4(a) of this chapter;
- (3) does not have any judgments or convictions for violations under section 4(b) of this chapter, except for judgments or convictions under section 4(b)(4) of this chapter that resulted from driving on a suspended license that was suspended for:
 - (A) the commission of infractions only; or
 - (B) previously driving on a suspended license;
- (4) has not been previously placed on probation under this section



C
O
P
Y

by a court; and

(5) has had the person's driving privileges suspended under this chapter for at least three (3) consecutive years and has not violated the terms of the person's suspension by operating a vehicle for at least three (3) consecutive years;

the court may place the person on probation under subsection (c).

SECTION 14. IC 11-10-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The department shall provide for the care and treatment of every confined offender who is determined to be mentally ill by a psychiatrist employed or retained by the department. To provide that care and treatment, the department may:

- (1) establish and operate its own mental health facilities and programs;
- (2) transfer offenders to the division of **addiction and mental health services**, subject to the approval of the director of the division of **addiction and mental health services**; or
- (3) contract with any city, county, state, or federal authority or with other public or private organizations for the provision of care and treatment.

SECTION 15. IC 11-10-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) A committed offender may be involuntarily transferred to the division of **addiction and mental health services** or to a mental health facility only if:

- (1) the offender has been examined by a psychiatrist employed or retained by the department and the psychiatrist reports to the department in writing that, in his opinion, the offender is mentally ill and in need of care and treatment by the division of **addiction and mental health services** or in a mental health facility;
- (2) the director of mental health approves of the transfer if the offender is to be transferred to the division of **addiction and mental health services**; and
- (3) the department affords the offender a hearing to determine the need for the transfer, which hearing must comply with the following minimum standards:
 - (A) The offender shall be given at least ten (10) days advance written and verbal notice of the date, time, and place of the hearing and the reason for the contemplated transfer. This notice must advise the offender of the rights enumerated in clauses (C) and (D). Notice must also be given to one (1) of the following:
 - (i) The offender's spouse.



C
o
p
y

- (ii) The offender's parent.
- (iii) The offender's attorney.
- (iv) The offender's guardian.
- (v) The offender's custodian.
- (vi) The offender's relative.

(B) A copy of the psychiatrist's report must be given to the offender not later than at the time notice of the hearing is given.

(C) The offender is entitled to appear in person, speak in his own behalf, call witnesses, present documentary evidence, and confront and cross-examine witnesses.

(D) The offender is entitled to be represented by counsel or other representative.

(E) The offender must be given a written statement of the findings of fact, the evidence relied upon, and the reasons for the action taken.

(F) A finding that the offender is in need of mental health care and treatment in the division of **addiction and mental health services** or a mental health facility must be based upon clear and convincing evidence.

(b) If the official in charge of the facility or program to which the offender is assigned determines that emergency care and treatment in the division of **addiction and mental health services** or a mental health facility is necessary to control a mentally ill offender who is either gravely disabled or dangerous, that offender may be involuntarily transferred, subject to the approval of the director of the division of **addiction and mental health services**, before holding the hearing described in subsection (a)(3). However, this subsection does not deprive the offender of his right to a hearing.

(c) The official in charge of the division of **addiction and mental health services** or facility to which an offender is transferred under this section must give the offender a semiannual written report, based on a psychiatrist's examination, concerning his mental condition and the need for continued care and treatment in the division of **addiction and mental health services** or facility. If the report states that the offender is still in need of care and treatment in the division of **addiction and mental health services** or a mental health facility, the division of **addiction and mental health services** or facility shall, upon request of the offender or a representative in his behalf, conduct a hearing to review the need for that continued care and treatment. The hearing must comply with the minimum standards established by subsection (a)(3). The division of **addiction and mental health services** or facility

C
o
p
y



to which the offender is transferred under this section may conduct a hearing under this subsection upon its initiative.

(d) If the division of **addiction and mental health services** or facility to which an offender is transferred under this section determines that the offender no longer needs care and treatment in the division of **addiction and mental health services** or facility, the division of **addiction and mental health services** or facility shall return the offender to the custody of the department of correction, and the department of correction shall reassign the offender to another facility or program.

SECTION 16. IC 11-10-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) An offender who believes the offender to be mentally ill and in need of care and treatment in the division of **addiction and mental health services** or a mental health facility shall, at the offender's request for transfer, be examined by a psychiatrist employed or retained by the department of correction, who shall report the psychiatrist's findings to the department of correction. If the report states that the offender is mentally ill and in need of care and treatment in the division of **addiction and mental health services** or a mental health facility, the department of correction shall transfer the offender to the division of **addiction and mental health services**, subject to the approval of the director of the division of **addiction and mental health services**, or to a mental health facility. If the department of correction intends to transfer an offender to the division of **addiction and mental health services**, the department of correction shall transmit a copy of the psychiatrist's report to the division of **addiction and mental health services**.

(b) Section 3(c) and 3(d) of this chapter apply to transfers under this section.

SECTION 17. IC 11-10-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. A transfer under this chapter does not extend an offender's term of imprisonment or commitment. However, if it is determined that an offender transferred under this chapter will be in need of mental health care and treatment after the offender's term of imprisonment or commitment ends, the division of **addiction and mental health services** or facility to which the offender was transferred may institute commitment proceedings under IC 12-26.

SECTION 18. IC 11-10-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. Whenever an offender sentenced under IC 35-36-2-5 is committed to the department of correction, the department of correction shall immediately inform

C
o
p
y



the division of **addiction and** mental health **services** of the commitment and provide the division of **addiction and** mental health **services** with a copy of the evaluation made by the department of correction under IC 11-10-1-2.

SECTION 19. IC 12-7-2-38 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 38. "Community mental health center" means a program of services that meets the following conditions:

- (1) Is approved by the division of **addiction and** mental health **services**.
- (2) Is organized for the purpose of providing multiple services for persons with mental illness or a chronic addictive disorder.
- (3) Is operated by one (1) of the following or any combination of the following:
 - (A) A city, a town, a county, or another political subdivision of Indiana.
 - (B) An agency of the state.
 - (C) An agency of the United States.
 - (D) A political subdivision of another state.
 - (E) A hospital owned or operated by a unit of government described in clauses (A) through (D).
 - (F) A building authority organized for the purpose of constructing facilities to be leased to units of government.
 - (G) A corporation incorporated under IC 23-7-1.1 (before its repeal August 1, 1991) or IC 23-17.
 - (H) A nonprofit corporation incorporated in another state.
 - (I) A university or college.

SECTION 20. IC 12-7-2-64 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 64. "Director" refers to the following:

- (1) With respect to a particular division, the director of the division.
- (2) With respect to a particular state institution, the director who has administrative control of and responsibility for the state institution.
- (3) For purposes of IC 12-10-15, the term refers to the director of the division of disabilities, aging, and rehabilitative services.
- (4) For purposes of IC 12-25, the term refers to the director of the division of **addiction and** mental health **services**.
- (5) For purposes of IC 12-26, the term:
 - (A) refers to the director who has administrative control of and responsibility for the appropriate state institution; and



(B) includes the director's designee.

(6) If subdivisions (1) through (5) do not apply, the term refers to the director of any of the divisions.

SECTION 21. IC 12-7-2-69 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 69. (a) "Division", except as provided in subsections (b) and (c), refers to any of the following:

(1) The division of disability, aging, and rehabilitative services established by IC 12-9-1-1.

(2) The division of family and children established by IC 12-13-1-1.

(3) The division of **addiction and** mental health **services** established by IC 12-21-1-1.

(b) The term refers to the following:

(1) For purposes of the following statutes, the division of disability, aging, and rehabilitative services established by IC 12-9-1-1:

(A) IC 12-9.

(B) IC 12-10.

(C) IC 12-11.

(D) IC 12-12.

(2) For purposes of the following statutes, the division of family and children established by IC 12-13-1-1:

(A) IC 12-13.

(B) IC 12-14.

(C) IC 12-15.

(D) IC 12-16.

(E) IC 12-17.

(F) IC 12-17.2.

(G) IC 12-17.4.

(H) IC 12-18.

(I) IC 12-19.

(J) IC 12-20.

(3) For purposes of the following statutes, the division of **addiction and** mental health **services** established by IC 12-21-1-1:

(A) IC 12-21.

(B) IC 12-22.

(C) IC 12-23.

(D) IC 12-25.

(c) With respect to a particular state institution, the term refers to the division whose director has administrative control of and

C
o
p
y



responsibility for the state institution.

(d) For purposes of IC 12-24, IC 12-26, and IC 12-27, the term refers to the division whose director has administrative control of and responsibility for the appropriate state institution.

SECTION 22. IC 12-7-2-127 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 127. (a) "Managed care provider", for purposes of IC 12-14-1 through IC 12-14-9 and IC 12-15 (except IC 12-15-21, IC 12-15-33, and IC 12-15-34) means either of the following:

- (1) A physician licensed under IC 25-22.5 who:
 - (A) is primarily engaged in general practice, family practice, internal medicine, pediatric medicine, or obstetrics and gynecology; and
 - (B) has entered into a provider agreement for the provision of physician services under IC 12-15-11-4.
- (2) A partnership, corporation, or other entity that:
 - (A) employs or contracts with physicians licensed under IC 25-22.5 who are primarily engaged in general practice, family practice, internal medicine, pediatric medicine, or obstetrics and gynecology; and
 - (B) has entered into a provider agreement for the provision of physician services under IC 12-15-11-4.
- (b) "Managed care provider", for purposes of IC 12-21-1 through IC 12-29-2, means an organization:
 - (1) that:
 - (A) for mental health services, is defined under 42 U.S.C. 300x-2(c); or
 - (B) provides addiction services;
 - (2) that has entered into a provider agreement with the division of **addiction and mental health services** under IC 12-21-2-7 to provide a continuum of care in the least restrictive, most appropriate setting; and
 - (3) that is operated by at least one (1) of the following:
 - (A) A city, town, county, or other political subdivision of Indiana.
 - (B) An agency of Indiana or of the United States.
 - (C) A political subdivision of another state.
 - (D) A hospital owned or operated by:
 - (i) a unit of government; or
 - (ii) a building authority that is organized for the purpose of constructing facilities to be leased to units of government.
 - (E) A corporation incorporated under IC 23-7-1.1 (before its



repeal August 1, 1991) or IC 23-17.

(F) A nonprofit corporation incorporated in another state.

(G) A university or college.

SECTION 23. IC 12-7-2-151 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 151. "Psychiatric hospital", for purposes of section 82 of this chapter, means any of the following:

- (1) A state institution.
- (2) A general hospital:
 - (A) licensed by the state department of health; and
 - (B) that maintains and operates facilities for the observation, care, treatment, and detention of individuals who are mentally ill.
- (3) A private psychiatric hospital licensed by the division of **addiction and mental health services**.

SECTION 24. IC 12-7-2-175 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 175. "Service provider", for purposes of IC 12-27, means any of the following:

- (1) A state institution.
- (2) A private psychiatric hospital licensed under IC 12-25.
- (3) A community mental health center.
- (4) A community mental retardation and other developmental disabilities center.
- (5) A service provider certified by the division of **addiction and mental health services** to provide substance abuse treatment programs.
- (6) A service provider or program receiving money from or through a division.
- (7) Any other service provider, hospital, clinic, program, agency, or private practitioner if the individual receiving mental health services or developmental training was admitted without the individual's consent.
- (8) A managed care provider (as defined in IC 12-7-2-127(b)).".

Page 1, between lines 8 and 9, begin a new paragraph and insert:

"SECTION 27. IC 12-8-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. Unless otherwise provided by a statute, this chapter applies to the following:

- (1) The family and social services committee established by IC 12-8-3-2.
- (2) The following advisory councils:
 - (A) The division of disability, aging, and rehabilitative services advisory council.



C
O
P
Y

- (B) The division of family and children advisory council.
- (C) The division of **addiction and** mental health **services** advisory council.
- (3) A body:
 - (A) established by statute for a division; and
 - (B) whose enabling statute makes this chapter applicable to the body."

Page 1, between lines 11 and 12, begin a new paragraph and insert:
 "SECTION 29. IC 12-8-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. The office and the division of **addiction and** mental health **services** shall develop a written memorandum of understanding that provides the following:

- (1) Program responsibilities for the provision of care and treatment for mentally ill individuals.
- (2) Responsibilities to educate and inform vendors of the proper billing procedures.
- (3) Responsibilities in administering the state plan.
- (4) Responsibilities for Medicaid fiscal and quality accountability and audits for mental health services.
- (5) That the division shall recommend options and services to be reimbursed under the state plan.
- (6) That the office and the division agree that, within the limits of 42 U.S.C. 1396 et seq., mentally ill individuals cannot be excluded from services on the basis of diagnosis unless these services are otherwise provided and reimbursed under the state plan.
- (7) That the office shall seek review and comment from the division before the adoption of rules or standards that may affect the service, programs, or providers of medical assistance services for the mentally ill.
- (8) That the division shall develop rate setting policies for medical assistance services for the mentally ill.
- (9) Policies to facilitate communication between the office and the division.
- (10) Any additional provisions that enhance communication between the office and the division or facilitate more efficient or effective delivery of mental health services."

Page 1, after line 17, begin a new paragraph and insert:
 "SECTION 32. IC 12-8-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. This chapter applies only to the indicated money of the following state agencies to the extent that the money is used by the agency to obtain services from grantee

C
O
P
Y



agencies to carry out the program functions of the agency:

(1) Money appropriated or allocated to a state agency from money received by the state under the Social Services Block Grant Act (42 U.S.C. 1397 et seq.).

(2) The division of disability, aging, and rehabilitative services, except this chapter does not apply to money expended under the following:

(A) The following statutes, unless application of this chapter is required by another subdivision of this section:

(i) IC 12-10-6.

(ii) IC 12-10-12.

(B) Epilepsy services.

(3) The division of family and children, for money expended under the following:

(A) The following statutes:

(i) IC 12-14-10.

(ii) IC 12-14-11.

(iii) IC 12-14-12.

(B) The following programs:

(i) The child development associate scholarship program.

(ii) The dependent care program.

(iii) Migrant day care.

(iv) The youth services bureau.

(v) The project safe program.

(vi) The commodities program.

(vii) The migrant nutrition program.

(viii) Any emergency shelter program.

(ix) The energy weatherization program.

(x) Programs for individuals with developmental disabilities.

(4) The state department of health, for money expended under the following statutes:

(A) IC 16-19-10.

(B) IC 16-38-3.

(5) The group.

(6) All state agencies, for any other money expended for the purchase of services if all the following apply:

(A) The purchases are made under a contract between the state agency and the office of the secretary.

(B) The contract includes a requirement that the office of the secretary perform the duties and exercise the powers described in this chapter.

(C) The contract is approved by the budget agency.

C
o
p
y



(7) The division of **addiction and mental health services**.

SECTION 33. IC 12-10-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) The task force consists of thirteen (13) voting and four (4) nonvoting members as follows:

(1) Two (2) representatives of an Alzheimer's disease or related senile dementia support organization.

(2) Five (5) individuals with expertise in Alzheimer's disease or related senile dementia, including at least:

(A) one (1) physician with an unlimited license to practice medicine under IC 25-22.5; and

(B) one (1) psychologist with a license to practice psychology under IC 25-33.

(3) Two (2) health care providers that provide services to persons with Alzheimer's disease or related senile dementia.

(4) One (1) individual whose parent, spouse, brother, or sister is or was afflicted with Alzheimer's disease or related senile dementia.

(5) The commissioner of the state department of health or the commissioner's designee.

(6) The director or the director's designee.

(7) One (1) representative of the division of **addiction and mental health services**.

(8) Two (2) members of the house of representatives appointed by the speaker of the house of representatives. The members appointed under this subdivision:

(A) may not be members of the same political party; and

(B) serve as nonvoting ex officio members of the task force.

(9) Two (2) members of the senate appointed by the president pro tempore of the senate. The members appointed under this subdivision:

(A) may not be members of the same political party; and

(B) serve as nonvoting ex officio members of the task force.

(b) The members of the task force designated by subsection (a)(1) through (a)(4) shall be appointed by the governor.

SECTION 34. IC 12-10-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) An individual who is incapable of residing in the individual's own home may apply for residential care assistance under this section. The determination of eligibility for residential care assistance is the responsibility of the division. Except as provided in subsections (f) and (h), an individual is eligible for residential care assistance if the division determines that the



individual:

- (1) is a recipient of Medicaid or the federal Supplemental Security Income program;
 - (2) is incapable of residing in the individual's own home because of dementia, mental illness, or a physical disability;
 - (3) requires a degree of care less than that provided by a health care facility licensed under IC 16-28; and
 - (4) can be adequately cared for in a residential care setting.
- (b) Individuals suffering from mental retardation may not be admitted to a home or facility that provides residential care under this section.
- (c) A service coordinator employed by the division may:
- (1) evaluate a person seeking admission to a home or facility under subsection (a); or
 - (2) evaluate a person who has been admitted to a home or facility under subsection (a), including a review of the existing evaluations in the person's record at the home or facility.

If the service coordinator determines the person evaluated under this subsection is mentally retarded, the service coordinator may recommend an alternative placement for the person.

(d) Except as provided in section 5 of this chapter, residential care consists of only room, board, and laundry, along with minimal administrative direction. State financial assistance may be provided for such care in a boarding or residential home of the applicant's choosing that is licensed under IC 16-28 or a Christian Science facility listed and certified by the Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc., that meets certain life safety standards considered necessary by the state fire marshal. Payment for such care shall be made to the provider of the care according to division directives and supervision. The amount of nonmedical assistance to be paid on behalf of a recipient living in a boarding home, residential home, or Christian Science facility shall be based on the daily rate established by the division. The rate for facilities that are referred to in this section and licensed under IC 16-28 may not exceed an upper rate limit established by a rule adopted by the division. The recipient may retain from the recipient's income a personal allowance in an amount to be established by the division, but not less than twenty-eight dollars and fifty cents (\$28.50) or more than thirty-five dollars (\$35) monthly. This amount is exempt from income eligibility consideration by the division and may be exclusively used by the recipient for the recipient's personal needs. However, if the recipient's income is less than the amount of the personal allowance, the division



C
o
p
y

shall pay to the recipient the difference between the amount of the personal allowance and the recipient's income. A reserve or an accumulated balance from such a source, together with other sources, may not be allowed to exceed the state's resource allowance allowed for adults eligible for state supplemental assistance or Medicaid as established by the rules of the office of Medicaid policy and planning.

(e) In addition to the amount that may be retained as a personal allowance under this section, an individual shall be allowed to retain an amount equal to the individual's state and local income tax liability. The amount that may be retained during a month may not exceed one-third ($1/3$) of the individual's state and local income tax liability for the calendar quarter in which that month occurs. This amount is exempt from income eligibility consideration by the division. The amount retained shall be used by the individual to pay any state or local income taxes owed.

(f) The rate of payment to the provider shall be determined in accordance with a prospective prenegotiated payment rate predicated on a reasonable cost related basis, with a growth of profit factor, as determined in accordance with generally accepted accounting principles and methods, and written standards and criteria, as established by the division. The division shall establish an administrative appeal procedure to be followed if rate disagreement occurs if the provider can demonstrate to the division the necessity of costs in excess of the allowed or authorized fee for the specific boarding or residential home. The amount may not exceed the maximum established under subsection (d).

(g) The personal allowance for one (1) month for an individual described in subsection (a) whose employment is part of the individual's personal habilitation plan or who is working in a sheltered workshop or day activity center is the amount that an individual would be entitled to retain under subsection (d) plus an amount equal to one-half ($1/2$) of the remainder of:

- (1) gross earned income for that month; minus
- (2) the sum of:
 - (A) sixteen dollars (\$16); plus
 - (B) the amount withheld from the person's paycheck for that month for payment of state income tax, federal income tax, and the tax prescribed by the federal Insurance Contribution Act (26 U.S.C. 3101 et seq.); plus
 - (C) transportation expenses for that month.

(h) An individual who, before September 1, 1983, has been admitted to a home or facility that provides residential care under this section is

C
O
P
Y



eligible for residential care in the home or facility.

(i) The director of the division may contract with the division of **addiction and mental health services** or the division of disability, aging, and rehabilitative services to purchase services for individuals suffering from mental illness or a developmental disability by providing money to supplement the appropriation for community residential care programs established under IC 12-22-2 or community residential programs established under IC 12-11-1-1.

(j) A person with a mental illness may not be placed in a Christian Science facility listed and certified by the Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc., unless the facility is licensed under IC 16-28.

SECTION 35. IC 12-10-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) An individual who is determined as disabled under section 2(a)(2) of this chapter because of mental illness may be admitted to a home or facility that provides residential care to the extent that money is available for the care.

(b) Within thirty (30) days after a mentally ill individual is placed in a home or facility that provides residential care, a comprehensive care plan must be developed for the individual.

(c) The residential care facility, in cooperation with the community mental health center or an individual's managed care provider (as defined in IC 12-7-2-127(b)) serving the area in which the residential care facility is located, shall develop the comprehensive care plan for the individual. The plan must include the following:

- (1) Psychosocial rehabilitation services that are provided within the community.
- (2) A comprehensive range of activities to meet multiple levels of need, including the following:
 - (A) Recreational and socialization activities.
 - (B) Social skills.
 - (C) Educational, training, occupational, and work programs.
 - (D) Opportunities for progression into less restrictive and more independent living arrangements.
- (3) Appropriate alternate placement if the individual's needs cannot be met by the facility.

(d) The health facilities council shall, in coordination with the division of **addiction and mental health services** and the division, adopt rules under IC 4-22-2 to govern:

- (1) residential care; and
- (2) the comprehensive care plan;



C
O
P
Y

provided to individuals suffering from mental illness who reside under this chapter in a home or facility that provides residential care.

SECTION 36. IC 12-10-12-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 12. (a) The activities of the screening team must be conducted under uniform rules adopted under IC 4-22-2 by the director of the division.

(b) The rules must be developed in cooperation with the division of **addiction and mental health services** and the office.

SECTION 37. IC 12-11-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. The division of **addiction and mental health services** and the division shall enter into a memorandum of understanding concerning referrals to a service coordinator of individuals with developmental disabilities discharged from or on an outpatient status from a state institution operated by the division of **addiction and mental health services**.

SECTION 38. IC 12-11-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. So that the funds authorized by this chapter may be used to the best advantage for the benefit of persons with multiple disabilities, the budget agency, upon concurrent recommendations of the director of the division of **addiction and mental health services** and the director of the division of disability, aging, and rehabilitative services, may transfer funds authorized by this chapter from one (1) division to the other.

SECTION 39. IC 12-11-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. The comprehensive plan required by section 5(3) of this chapter must include an interagency cooperation agreement among the following:

- (1) The department of education.
- (2) The division of **addiction and mental health services**.
- (3) The division of family and children.
- (4) The division.
- (5) Any other appropriate agencies.

SECTION 40. IC 12-11-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. The following shall cooperate with the commission and each other in developing and updating the comprehensive plan required by section 5(3) of this chapter and in developing and complying with the interagency cooperation agreement required by section 6 of this chapter:

- (1) The department of education.
- (2) The division of **addiction and mental health services**.
- (3) The division of family and children.
- (4) The division.



C
O
P
Y

(5) Any other appropriate agencies.

SECTION 41. IC 12-11-8-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) The institute for autism in cooperation with the appropriate state agencies shall do the following:

- (1) Provide informational services about autism.
- (2) Provide an information system for services provided to individuals with autism and their families by federal, state, local, and private agencies.
- (3) Develop a data base from information received by the division, the division of **addiction and mental health services**, the department of education, and the state department of health relative to the services provided to autistic individuals and their families.
- (4) Offer training and technical assistance to providers of services and families of individuals with autism.
- (5) Research methods for assessing, planning, implementing, and evaluating programs for individuals with autism and their families.
- (6) Develop model curricula and resource materials for providers of services and families of individuals with autism.
- (7) Conduct one (1) time every three (3) years a statewide needs assessment study designed to determine the following:
 - (A) The status of services provided to autistic individuals and their families.
 - (B) The need for additional or alternative services for autistic individuals and their families.

(b) The institute for autism shall deliver to the general assembly the results of the needs assessment study required by subsection (a)(7) before December 1 of each year in which the study is conducted.

SECTION 42. IC 12-11-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. Services to support families of persons with disabilities and persons with disabilities may include services available within the division of family and children, the division of aging and rehabilitative services, the division of **addiction and mental health services**, the department of health, the department of education, the department of workforce development, and the department of corrections, including case management and service coordination.

SECTION 43. IC 12-13-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. The commission consists of nineteen (19) members appointed as follows:



C
O
P
Y

- (1) Two (2) members of the senate, who are not members of the same political party, appointed by the president pro tempore of the senate with the advice of the minority leader of the senate.
- (2) Two (2) members of the house of representatives, who are not members of the same political party, appointed by the speaker of the house of representatives with the advice of the minority leader of the house of representatives.
- (3) The director of the division of family and children or the director's designee.
- (4) The director of the division of **addiction and mental health services** or the director's designee.
- (5) The commissioner of the state department of health or the commissioner's designee.
- (6) The superintendent of public instruction or the superintendent's designee.
- (7) The commissioner of the department of correction or the commissioner's designee.
- (8) The director of the civil rights commission or the director's designee.
- (9) The commissioner of the department of administration or the commissioner's designee.
- (10) The director of the department of commerce or the director's designee.
- (11) A minority business person, appointed by the governor.
- (12) Three (3) persons appointed by the president pro tempore of the senate who are not members of the general assembly. Not more than two (2) of the persons appointed under this subdivision may be members of the same political party.
- (13) Three (3) persons appointed by the speaker of the house of representatives who are not members of the general assembly. Not more than two (2) of the persons appointed under this subdivision may be members of the same political party.

SECTION 44. IC 12-15-18-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5.1. (a) For state fiscal years ending on or after June 30, 1998, the trustees and each municipal health and hospital corporation established under IC 16-22-8-6 are authorized to make intergovernmental transfers to the Medicaid indigent care trust fund in amounts to be determined jointly by the office and the trustees, and the office and each municipal health and hospital corporation.

(b) The treasurer of state shall annually transfer from appropriations made for the division of **addiction and mental health services**



C
O
P
Y

sufficient money to provide the state's share of payments under IC 12-15-16-6(c)(5).

(c) The office shall coordinate the transfers from the trustees and each municipal health and hospital corporation established under IC 16-22-8-6 so that the aggregate intergovernmental transfers, when combined with federal matching funds:

- (1) produce payments to each hospital licensed under IC 16-21 that qualifies as an enhanced disproportionate share provider under IC 12-15-16-1(b); and
- (2) both individually and in the aggregate do not exceed limits prescribed by the United States Health Care Financing Administration.

The trustees and a municipal health and hospital corporation are not required to make intergovernmental transfers under this section. The trustees and a municipal health and hospital corporation may make additional transfers to the Medicaid indigent care trust fund to the extent necessary to make additional payments from the Medicaid indigent care trust fund apply to a prior federal fiscal year as provided in IC 12-15-19-1(c).

(d) A municipal disproportionate share provider (as defined in IC 12-15-16-1(c)) shall transfer to the Medicaid indigent care trust fund an amount determined jointly by the office and the municipal disproportionate share provider. A municipal disproportionate share provider is not required to make intergovernmental transfers under this section. A municipal disproportionate share provider may make additional transfers to the Medicaid indigent care trust fund to the extent necessary to make additional payments from the Medicaid indigent care trust fund apply to a prior federal fiscal year as provided in IC 12-15-19-1(c).

(e) A county treasurer making a payment under IC 12-29-1-7(b) or from other county sources to a community mental health center qualifying as a community mental health center disproportionate share provider shall certify that the payment represents expenditures that are eligible for federal financial participation under 42 U.S.C. 1396b(w)(6)(A) and 42 CFR 433.51. The office shall assist a county treasurer in making this certification.

SECTION 45. IC 12-15-33-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. The following shall serve as ex officio members of the committee:

- (1) The state health commissioner or the commissioner's designee.
- (2) The director of the division of **addiction and** mental health



C
O
P
Y

services or the director's designee.

(3) The administrator of the office.

SECTION 46. IC 12-16-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this chapter, "affected agency" means any of the following:

- (1) The department of correction.
- (2) The state department of health.
- (3) The division of **addiction and** mental health **services**.
- (4) The division of disability, aging, and rehabilitative services.

SECTION 47. IC 12-16-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. The hospital care for the indigent program does not apply to inmates and patients of institutions of the department of correction, the state department of health, the division of **addiction and** mental health **services**, or the division of disability, aging, and rehabilitative services.

SECTION 48. IC 12-16-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. The division shall, with the advice of the division's medical staff, the division of **addiction and** mental health **services**, the division of disability, aging, and rehabilitative services, and other individuals selected by the director of the division, adopt rules under IC 4-22-2 to do the following:

- (1) Provide for review and approval of services paid under the hospital care for the indigent program.
- (2) Establish limitations consistent with medical necessity on the duration of services to be provided.
- (3) Specify the amount of and method for reimbursement for services.
- (4) Specify the conditions under which payments will be denied and improper payments will be recovered.

SECTION 49. IC 12-17-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this chapter, "agency" means a department, a commission, a council, a board, a bureau, a division, a service, an office, or an administration that is responsible for providing services to infants and toddlers with disabilities and their families, including the following:

- (1) The division of **addiction and** mental health **services**.
- (2) The state department of health.
- (3) The division of family and children.
- (4) The division of disability, aging, and rehabilitative services.
- (5) The department of education.

SECTION 50. IC 12-17.2-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. This article does not



C
o
p
y

apply to the following:

- (1) A child care center or child care home licensed or operated by any of the following:
 - (A) Programs for children in grades kindergarten through 12 that are operated under the authority of the department of education or that are operated with the assistance of the department of education.
 - (B) The division of **addiction and mental health services**.
 - (C) The state department of health.
 - (D) The department of correction.
- (2) A county jail or detention center.

SECTION 51. IC 12-17.2-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The division may do the following:

- (1) Prescribe forms for reports, statements, notices, and other documents required by this article or by the rules adopted under this article.
- (2) Increase public awareness of this article and the rules adopted under this article by preparing and publishing manuals and guides explaining this article and the rules adopted under this article.
- (3) Facilitate compliance with and enforcement of this article through the publication of materials under subdivision (2).
- (4) Prepare reports and studies to advance the purpose of this article.
- (5) Seek the advice and recommendations of state agencies whose information and knowledge would be of assistance in writing, revising, or monitoring rules developed under this article. These agencies, including the office of the attorney general, state department of health, division of **addiction and mental health services**, bureau of criminal identification and investigation, and fire prevention and building safety commission, shall upon request supply necessary information to the division.
- (6) Make the directory of licensees available to the public for a charge not to exceed the cost of reproducing the directory.
- (7) Charge a reasonable processing fee for each license application and renewal as follows:
 - (A) For a child care center license, a fee of two dollars (\$2) per licensed child capacity.
 - (B) For a child care center new inquiry application packet, a fee not to exceed five dollars (\$5).
 - (C) For a child care home license new inquiry application packet, a fee not to exceed five dollars (\$5).



C
o
p
y

(D) For a child care home annual inspection, a fee not to exceed twenty-five dollars (\$25).

(8) Exercise any other regulatory and administrative powers necessary to carry out the functions of the division.

SECTION 52. IC 12-17.4-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. This article does not apply to the following:

(1) A child caring institution, foster family home, group home, or child placing agency licensed or operated by any of the following:

(A) Programs for children in grades kindergarten through 12 that are operated under the authority of the department of education or that are operated with the assistance of the department of education.

(B) The division of **addiction and mental health services**.

(C) The state department of health.

(D) The department of correction.

(2) A person who has received a child for adoption from a licensed child placement agency.

(3) A county jail or detention center.

SECTION 53. IC 12-17.4-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The division may do the following:

(1) Prescribe forms for reports, statements, notices, and other documents required by this article or by the rules adopted under this article.

(2) Increase public awareness of this article and the rules adopted under this article by preparing and publishing manuals and guides explaining this article and the rules adopted under this article.

(3) Facilitate compliance with and enforcement of this article through the publication of materials under subdivision (2).

(4) Prepare reports and studies to advance the purpose of this article.

(5) Seek the advice and recommendations of state agencies whose information and knowledge would be of assistance in writing, revising, or monitoring rules developed under this article. These agencies, including the office of the attorney general, state department of health, division of **addiction and mental health services**, bureau of criminal identification and investigation, and fire prevention and building safety commission, shall upon request supply necessary information to the division.

(6) Make the directory of licensees available to the public for a charge not to exceed the cost of reproducing the directory.



C
O
P
Y

(7) Charge a reasonable processing fee for each license application and renewal as follows:

(A) For a child caring institution or group home license, a fee not to exceed three dollars (\$3) for each licensed bed based on total licensed bed capacity not to exceed a maximum fee of one hundred fifty dollars (\$150).

(B) For a child placing agency license, a fee not to exceed fifty dollars (\$50).

(8) Exercise any other regulatory and administrative powers necessary to carry out the functions of the division.

SECTION 54. IC 12-21-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. The division of **addiction and mental health services** is established to apply the division's resources to ensure that Indiana citizens have access to appropriate mental health and addiction services that promote individual self-sufficiency.

SECTION 55. IC 12-21-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. The division is composed of the following:

(1) The director.

(2) The division of **addiction and mental health services** advisory council.

(3) Other personnel necessary for the performance of the functions imposed upon the division under law.

SECTION 56. IC 12-21-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) The director shall develop a comprehensive system of monitoring, evaluation, and quality assurance for the continuum of care required by this chapter.

(b) The director shall determine to whom contracts are awarded, based on the following factors:

(1) The continuity of services a contractor provides for patients.

(2) The accessibility of a contractor's services to patients.

(3) The acceptability of a contractor's services to patients.

(4) A contractor's ability to focus services on building the self-sufficiency of the patient.

(c) This subsection applies to the reimbursement of contract payments to managed care providers. Payments must be determined prospectively in accordance with generally accepted accounting principles and actuarial principles recognizing costs incurred by efficiently and economically operated programs that:

(1) serve mentally ill or substance abuse patients; and

(2) are subject to quality and safety standards and laws.



C
O
P
Y

(d) Before entering into a contract under this section, the director shall submit the contract to the attorney general for approval as to form and legality.

(e) A contract under this section must do the following:

(1) Specify:

(A) the work to be performed; and

(B) the patient populations to whom services must be provided.

(2) Provide for a reduction in funding or termination of the contract for failure to comply with terms of the contract.

(3) Require that the contractor meet the standards set forth in rules adopted by the division of **addiction and mental health services** under IC 4-22-2.

(4) Require that the contractor participate in the division's evaluation process.

(5) For any service for which the division chooses to contract on a per diem basis, the per diem reimbursement shall be determined under subsection (c) for the contractor's reasonable cost of providing services.

(6) In contracts with capitated payment provisions, provide that the contractor's cost of purchasing stop-loss insurance for the patient populations to be served in amounts and with limits customarily purchased by prepaid health care plans must be:

(A) included in the actuarial determination of the capitated payment amounts; or

(B) separately paid to the contractor by the division.

(7) Provide that a contract for enumerated services granted by the division under this section to an approved managed care provider may not create or confer upon the managed care provider liability or responsibility for care or services beyond those services supported by the contract.

SECTION 57. IC 12-21-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this chapter, "council" refers to the division of **addiction and mental health services** advisory council established by this chapter.

SECTION 58. IC 12-21-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. The division of **addiction and mental health services** advisory council is established.

SECTION 59. IC 12-21-5-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1.5. The division shall do the following:

(1) Adopt rules under IC 4-22-2 to establish and maintain criteria

C
O
P
Y



to determine patient eligibility and priority for publicly supported mental health and addiction services. The rules must include criteria for patient eligibility and priority based on the following:

- (A) A patient's income.
 - (B) A patient's level of daily functioning.
 - (C) A patient's prognosis.
- (2) Within the limits of appropriated funds, contract with a network of managed care providers to provide a continuum of care in an appropriate setting that is the least restrictive to individuals who qualify for the services.
- (3) Require the providers of services funded directly by the division to be in good standing with an appropriate accrediting body as required by rules adopted under IC 4-22-2 by the division.
- (4) Develop a provider profile that must be used to evaluate the performance of a managed care provider and that may be used to evaluate other providers of mental health services that access state administered funds, including Medicaid, and other federal funding. A provider's profile must include input from consumers, citizens, and representatives of the mental health ombudsman program (IC 12-27-9) regarding the provider's:
- (A) information provided to the patient on patient rights before treatment;
 - (B) accessibility, acceptability, and continuity of services provided or requested; and
 - (C) total cost of care per individual, using state administered funds.
- (5) Ensure compliance with all other performance criteria set forth in a provider contract. In addition to the requirements set forth in IC 12-21-2-7, a provider contract must include the following:
- (A) A requirement that the standards and criteria used in the evaluation of care plans be available and accessible to the patient.
 - (B) A requirement that the provider involve the patient in the choice of and preparation of the treatment plan to the greatest extent feasible.
 - (C) A provision encouraging the provider to intervene in a patient's situation as early as possible, balancing the patient's right to liberty with the need for treatment.
 - (D) A requirement that the provider set up and implement an internal appeal process for the patient.

C
o
p
y



(6) Establish a toll free telephone number that operates during normal business hours for individuals to make comments to the division in a confidential manner regarding services or service providers.

(7) Develop a confidential system to evaluate complaints and patient appeals received by the division of **addiction and mental health services** and to take appropriate action regarding the results of an investigation. A managed care provider is entitled to request and to have a hearing before information derived from the investigation is incorporated into the provider's profile. Information contained within the provider profile is subject to inspection and copying under IC 5-14-3-3.

(8) Submit a biennial report to the governor and legislative council that includes an evaluation of the continuum of care.

(9) Conduct an actuarial analysis July 1, 1994, July 1, 1996, and then every four (4) years beginning July 1, 2000.

(10) Annually determine sufficient rates to be paid for services contracted with managed care providers who are awarded a contract under IC 12-21-2-7.

(11) Take actions necessary to assure the quality of services required by the continuum of care under this chapter.

(12) Incorporate the results from the actuarial analysis in subdivision (9) to fulfill the responsibilities of this section.

SECTION 60. IC 12-22-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 11. (a) An entity may not:

(1) operate a program described in IC 12-22-3; or

(2) hold itself out as operating;

(A) a program described in IC 12-22-3; or

(B) a group home for individuals who are mentally ill;

unless the entity is licensed or certified by the division of **addiction and mental health services**.

(b) The division of **addiction and mental health services** shall investigate a report of:

(1) an unlicensed facility housing a community residential program described in section 3(1), 3(2), and 3(3) of this chapter;

(2) an uncertified operator of a community residential program described in section 3(1), 3(2), and 3(3) of this chapter; or

(3) a licensed or certified entity's noncompliance with this article;

and report the division's findings to the attorney general.

(c) The attorney general may do the following:

(1) Seek the issuance of a search warrant to assist in an

C
o
p
y



investigation under this section.

(2) File an action for injunctive relief to stop the operation of a facility described in subsection (b) if there is reasonable cause to believe that:

(A) the facility or the operator community residential program described in subsection (b) is operating without a required license or certification; or

(B) a licensed or certified entity's actions or omissions create an immediate danger of serious bodily injury to a mentally ill individual or an imminent danger to the health of a mentally ill individual.

(3) Seek in a civil action a civil penalty of not more than one hundred dollars (\$100) a day for each day a facility is operating:

(A) without a license or certification required by law; or

(B) with a license or certification required under this chapter, but is not in compliance with this article, IC 12-21-2-3, or rules adopted under this article or IC 12-21-2-3.

(d) The division of **addiction and** mental health **services** may provide for the removal of mentally ill individuals from facilities for the mentally ill described in subsection (c).

(e) There must be an opportunity for an informal meeting with the division of **addiction and** mental health **services** after injunctive relief is ordered under this section.

(f) The civil penalties collected under this section must be deposited in the mental health centers fund (IC 6-7-1-32.1).

SECTION 61. IC 12-23-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 9. A court may not order a defendant or a convicted individual to complete an alcohol and drug services treatment program under section 2(b)(1) or 6(1) of this chapter unless the court determines that the program in which the individual is to participate is administered by a court under IC 12-23-14 or is certified by the division of **addiction and** mental health **services**.

SECTION 62. IC 12-23-7-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 14. The division may not release an offender under section 2(2) of this chapter to an alcohol and drug services treatment program that is not a program administered by a court under IC 12-23-14 or that has not complied with the certification requirements of the division of **addiction and** mental health **services**.

SECTION 63. IC 12-24-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) The director of

C
o
p
y



the division of **addiction and** mental health **services** has administrative control of and responsibility for the following state institutions:

- (1) Central State Hospital.
- (2) Evansville State Hospital.
- (3) Evansville State Psychiatric Treatment Center for Children.
- (4) Larue D. Carter Memorial Hospital.
- (5) Logansport State Hospital.
- (6) Madison State Hospital.
- (7) Richmond State Hospital.
- (8) Any other state owned or operated mental health institution.

(b) Subject to the approval of the director of the budget agency and the governor, the director of the division of **addiction and** mental health **services** may contract for the management and clinical operation of Larue D. Carter Memorial Hospital.

SECTION 64. IC 12-24-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) During the closing of Central State Hospital, and after the institution is closed, the division of **addiction and** mental health **services** shall secure, maintain, and fund appropriate long term inpatient beds for individuals who have been determined by a community mental health center to:

- (1) have a chronic and persistent mental disorder or chronic addictive disorder; and
- (2) be in need of care that meets the following criteria:
 - (A) Twenty-four (24) hour supervision of a patient is available.
 - (B) A patient receives:
 - (i) active treatment as appropriate for a chronic and persistent mental disorder or chronic addictive disorder;
 - (ii) case management services from a state approved provider; and
 - (iii) maintenance of care under the direction of a physician.
 - (C) Crisis care.

(b) An individual placed in a long term inpatient bed under this section shall receive at least the care described in subsection (a)(2)(A) through (a)(2)(C).

(c) The number of long term inpatient beds that must be secured, maintained, and funded under subsection (a) must satisfy both of the following:

- (1) The number of long term inpatient beds in the county where the hospital was located may not be less than twenty-one (21) adults per one hundred thousand (100,000) adults in the county where the hospital was located.



C
O
P
Y

(2) The total number of long term inpatient beds may not be less than twenty-one (21) adults per one hundred thousand (100,000) adults in the catchment area served by Central State Hospital. The division may reduce the total number of long term inpatient beds required by this subdivision whenever the division determines that caseloads justify a reduction. However:

- (A) the total number of long term inpatient beds may not be reduced below the number required by subdivision (1); and
- (B) the number of long term inpatient beds in the county where the hospital was located may not be reduced below the number required by subdivision (1).

(d) The division is not required to secure, maintain, and fund long term inpatient beds under this section that exceed the number of individuals who have been determined by a community mental health center to be in need of inpatient care under subsection (a). However, subject to the limitations of subsection (c), the division shall at all times retain the ability to secure, maintain, and fund long term inpatient beds for individuals who satisfy the criteria in subsection (a) as determined by the community mental health centers.

(e) An individual may not be placed in a long term inpatient bed under this section at Larue D. Carter Memorial Hospital if the placement adversely affects the research and teaching mission of the hospital.

(f) Notwithstanding any other law, the director of the division of **addiction and mental health services** may not terminate normal patient care or other operations at Central State Hospital unless the division has developed a plan to comply with this section. Before closing Central State Hospital, the director shall submit a report to the legislative council containing the following information:

- (1) The plans the division has made and implemented to comply with this section.
- (2) The disposition of patients made and to be made from July 1, 1993, to the estimated date of closing of Central State Hospital.
- (3) Other information the director considers relevant.

SECTION 65. IC 12-24-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. As used in this chapter, "division" refers only to the division of **addiction and mental health services**.

SECTION 66. IC 12-24-12-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. (a) Upon admission to a state institution administered by the division of **addiction and mental health services**, the gatekeeper is one (1) of the following:

C
O
P
Y



- (1) For an individual with a psychiatric disorder, the community mental health center that submitted the report to the committing court under IC 12-26.
- (2) For an individual with a developmental disability, a division of disability, aging, and rehabilitative services service coordinator under IC 12-11-2.
- (3) For an individual entering an addictions program, an addictions treatment provider that is certified by the division of **addiction and mental health services**.
- (b) The division is the gatekeeper for the following:
 - (1) An individual who is found to have insufficient comprehension to stand trial under IC 35-36-3.
 - (2) An individual who is found to be not guilty by reason of insanity under IC 35-36-2-4 and is subject to a civil commitment under IC 12-26.
 - (3) An individual who is immediately subject to a civil commitment upon the individual's release from incarceration in a facility administered by the department of correction or the Federal Bureau of Prisons, or upon being charged with or convicted of a forcible felony under IC 35-41-1.
 - (4) An individual placed under the supervision of the division for addictions treatment under IC 12-23-7 and IC 12-23-8.
 - (5) An individual transferred from the department of correction under IC 11-10-4.

SECTION 67. IC 12-24-19-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) This chapter applies only to a patient who is transferred or discharged from a state institution administered by the division of **addiction and mental health services**.

- (b) This chapter does not apply to any of the following:
 - (1) An individual who is admitted to a state institution only for evaluation purposes.
 - (2) An individual who is incompetent to stand trial.
 - (3) An individual who has a developmental disability (as defined in IC 12-7-2-61).
 - (4) An individual in an alcohol and drug services program who is not concurrently diagnosed as mentally ill.
 - (5) An individual who has escaped from the facility to which the individual was involuntarily committed.
 - (6) An individual who was admitted to a facility for voluntary treatment and who has left the facility against the advice of the attending physician.



C
O
P
Y

SECTION 68. IC 12-24-19-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) As used in this section, "transitional care" means temporary treatment services to facilitate an individual's:

- (1) transfer from a mental health institution to a community residential setting; or
- (2) discharge from a mental health institution.

(b) The transitional care program shall assist consumers in making a smooth adjustment to community living and operate in collaboration with a managed care provider of services in the consumer's home area.

(c) Resources for the program shall come from the total appropriation for the facility, and may be adjusted to meet the needs of consumer demand by the director.

(d) Each state institution administered by the division of **addiction and mental health services** shall establish a transitional care program with adequate staffing patterns and employee skill levels for patients' transitional care needs where clinically appropriate.

(e) The transitional care program shall be staffed by transitional care specialists and at least one (1) transitional care case manager.

(f) A transitional care case manager must have at least a bachelor's degree and be trained in transitional care.

(g) Psychiatric attendants working in this program shall be trained, classified, and compensated as appropriate for a transitional care specialist.

SECTION 69. IC 12-26-6-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) If, upon the completion of the hearing and consideration of the record, the court finds that the individual is mentally ill and either dangerous or gravely disabled, the court may order the individual to:

- (1) be committed to an appropriate facility; or
- (2) enter an outpatient treatment program under IC 12-26-14 for a period of not more than ninety (90) days.

(b) The court's order must require that the superintendent of the facility or the attending physician file a treatment plan with the court within fifteen (15) days of the individual's admission to the facility under a commitment order.

(c) If the commitment ordered under subsection (a) is to a state institution administered by the division of **addiction and mental health services**, the record of commitment proceedings must include a report from a community mental health center stating both of the following:

- (1) That the community mental health center has evaluated the individual.



C
o
p
y

(2) That commitment to a state institution administered by the division of **addiction and mental health services** under this chapter is appropriate.

(d) The physician who makes the statement required by section 2(c) of this chapter may be affiliated with the community mental health center that submits to the court the report required by subsection (c).

(e) If the commitment is of an adult to a research bed at Larue D. Carter Memorial Hospital as set forth in IC 12-21-2-3, the report from a community mental health center is not required.

(f) If a commitment ordered under subsection (a) is to a state institution administered by the division of disability, aging, and rehabilitative services, the record of commitment proceedings must include a report from a service coordinator employed by the division of disability, aging, and rehabilitative services stating that, based on a diagnostic assessment of the individual, commitment to a state institution administered by the division of disability, aging, and rehabilitative services under this chapter is appropriate.

SECTION 70. IC 12-26-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) A petition filed under section 2 of this chapter must include a physician's written statement that states both of the following:

(1) The physician has examined the individual within the past thirty (30) days.

(2) The physician believes that the individual is:

(A) mentally ill and either dangerous or gravely disabled; and

(B) in need of custody, care, or treatment in a facility for a period expected to be more than ninety (90) days.

(b) Except as provided in subsection (d), if the commitment is to a state institution administered by the division of **addiction and mental health services**, the record of the proceedings must include a report from a community mental health center stating both of the following:

(1) The community mental health center has evaluated the individual.

(2) Commitment to a state institution administered by the division of **addiction and mental health services** under this chapter is appropriate.

(c) The physician who makes the statement required by subsection (a) may be affiliated with the community mental health center that makes the report required by subsection (b).

(d) If the commitment is of an adult to a research bed at Larue D. Carter Memorial Hospital, as set forth in IC 12-21-2-3, the report from a community mental health center is not required.

C
o
p
y



(e) If a commitment ordered under subsection (a) is to a state institution administered by the division of disability, aging, and rehabilitative services, the record of commitment proceedings must include a report from a service coordinator employed by the division of disability, aging, and rehabilitative services stating that, based on a diagnostic assessment of the individual, commitment to a state institution administered by the division of disability, aging, and rehabilitative services under this chapter is appropriate.

SECTION 71. IC 12-26-11-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3.5. If an individual is transferred under section 1 of this chapter from a state institution administered by the division of **addiction and mental health services**, the gatekeeper for the individual shall facilitate and plan, together with the individual and state institution, the individual's transition to the community or to another facility if the facility is not a state institution administered by the division of **addiction and mental health services**.

SECTION 72. IC 12-27-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. Within the limits of appropriated funds, the division of **addiction and mental health services** shall contract in writing with a nonprofit corporation for the operation of the mental health ombudsman program. The nonprofit corporation must:

- (1) be qualified to receive tax deductible contributions under Section 170 of the Internal Revenue Code;
- (2) have offices statewide; and
- (3) have experience in mental health advocacy.

SECTION 73. IC 12-27-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) If the ombudsman believes that the agency, facility, or program has failed to comply with the ombudsman's recommendations, the ombudsman shall refer the matter to the division of **addiction and mental health services** or the Indiana protection and advocacy services commission as appropriate.

(b) The ombudsman shall compile annual statistics on each agency, facility, or program on which it reviews a complaint or conducts an investigation and determines that the complaint has merit or the investigation reveals a problem. The statistics must specify the types of complaints or problems and each agency, facility, or program that has failed to comply with the ombudsman's recommendations. The statistics shall be reported to the director of the division of **addiction and mental health services**.

SECTION 74. IC 12-29-1-7 IS AMENDED TO READ AS



C
O
P
Y

FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) On the first Monday in October, the county auditor shall certify to:

- (1) the division of **addiction and mental health services**, for a community mental health center;
- (2) the division of disability, aging, and rehabilitative services, for a community mental retardation and other developmental disabilities center; and
- (3) the president of the board of directors of each center;

the amount of money that will be provided to the center under this chapter.

(b) The county payment to the center shall be paid by the county treasurer to the treasurer of each center's board of directors in the following manner:

- (1) One-half (1/2) of the county payment to the center shall be made on the second Monday in July.
- (2) One-half (1/2) of the county payment to the center shall be made on the second Monday in December.

A county treasurer making a payment under this subsection or from other county sources to a community mental health center that qualifies as a community mental health center disproportionate share provider under IC 12-15-16-1(d) shall certify that the payment represents expenditures eligible for financial participation under 42 U.S.C. 1396b(w)(6)(A) and 42 CFR 433.51. The office of Medicaid policy and planning shall assist a county treasurer in making this certification.

(c) Payments by the county fiscal body:

- (1) must be in the amounts:
 - (A) determined by IC 12-29-2-1 through IC 12-29-2-6; and
 - (B) authorized by section 1 of this chapter; and
- (2) are in place of grants from agencies supported within the county solely by county tax money.

SECTION 75. IC 12-29-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. This chapter applies only to the funding of a program of services for the mentally ill that is designated as a community mental health center by the division of **addiction and mental health services** in the division's approval of the program.

SECTION 76. IC 12-29-2-13 IS AMENDED TO READ AS FOLLOWS (CURRENT VERSION) [EFFECTIVE JULY 1, 1999]: Sec. 13. (a) This section applies to a county having a population of not less than four hundred thousand (400,000) but not more than seven hundred thousand (700,000).

(b) In addition to any other appropriation under this article, a county

C
O
P
Y



annually may fund each center serving the county from the county's general fund in an amount not exceeding the amount that would be raised by a tax rate of three cents (\$0.03) on each one hundred dollars (\$100) of taxable property within the county.

(c) The receipts from the tax levied under this section shall be used for the leasing, purchasing, constructing, or operating of community residential facilities for the chronically mentally ill (as defined in IC 12-7-2-167).

(d) Money appropriated under this section must be:

- (1) budgeted under IC 6-1.1-17; and
- (2) included in the center's budget submitted to the division of **addiction and mental health services**.

(e) Permission for a levy increase in excess of the levy limitations may be ordered under IC 6-1.1-18.5-15 only if the levy increase is approved by the division of **addiction and mental health services** for a community mental health center.

SECTION 77. IC 12-29-2-13 IS AMENDED TO READ AS FOLLOWS (DELAYED VERSION) [EFFECTIVE MARCH 1, 2001]: Sec. 13. (a) This section applies to a county having a population of not less than four hundred thousand (400,000) but not more than seven hundred thousand (700,000).

(b) In addition to any other appropriation under this article, a county annually may fund each center serving the county from the county's general fund in an amount not exceeding the amount that would be raised by a tax rate of one cent (\$0.01) on each one hundred dollars (\$100) of taxable property within the county.

(c) The receipts from the tax levied under this section shall be used for the leasing, purchasing, constructing, or operating of community residential facilities for the chronically mentally ill (as defined in IC 12-7-2-167).

(d) Money appropriated under this section must be:

- (1) budgeted under IC 6-1.1-17; and
- (2) included in the center's budget submitted to the division of **addiction and mental health services**.

(e) Permission for a levy increase in excess of the levy limitations may be ordered under IC 6-1.1-18.5-15 only if the levy increase is approved by the division of **addiction and mental health services** for a community mental health center.

SECTION 78. IC 12-29-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 14. (a) An entity may not:

- (1) hold itself out to be a community mental health center; or



C
o
p
y

(2) use the term "community mental health center";
unless the entity is certified by the division of **addiction and mental health services**.

(b) The division of **addiction and mental health services** shall investigate a report that an entity is operating as a community mental health center without the approval of the division of **addiction and mental health services** and report the division's findings to the attorney general.

(c) Upon receiving a report made under subsection (b), the attorney general may do the following:

(1) Seek the issuance of a search warrant to assist in the investigation.

(2) File an action for injunctive relief to stop the operation of the entity that is the subject of the report if there is reasonable cause to believe that the entity is operating without the required approval of the division of **addiction and mental health services**.

(3) File an action for injunctive relief to stop the entity that is the subject of the report from using the term "community mental health center".

(4) Seek in a civil action a civil penalty of not more than one hundred dollars (\$100) a day for each day an entity is operating without the required approval of the division of **addiction and mental health services**.

(d) An opportunity for an informal meeting with the division of **addiction and mental health services** must be provided after the injunctive relief is ordered.

(e) The civil penalties collected under this section must be deposited in the mental health centers fund (IC 6-7-1-32.1).

SECTION 79. IC 16-32-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. The committee shall be composed of the following members:

(1) The director of the division of disability, aging, and rehabilitative services or the director's designee.

(2) The commissioner of the Indiana department of administration or the commissioner's designee.

(3) The executive director of the governor's planning council on people with disabilities.

(4) The director of the division of **addiction and mental health services** or the director's designee.

(5) The commissioner of the state department of health or the commissioner's designee.

(6) Three (3) members appointed by the governor to represent the

C
o
p
y



public at large.

SECTION 80. IC 16-39-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. A record for each patient receiving mental health services shall be maintained by the provider. The mental health record must contain the information that the division of **addiction and mental health services**, the division of disability, aging, and rehabilitative services, or the state department requires by rule. The provider is:

- (1) the owner of the mental health record;
- (2) responsible for the record's safekeeping; and
- (3) entitled to retain possession of the record.

The information contained in the mental health record belongs to the patient involved as well as to the provider. The provider shall maintain the original mental health record or a microfilm of the mental health record for at least seven (7) years.

SECTION 81. IC 16-39-2-6, AS AMENDED BY SEA 40-1999, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) Without the consent of the patient, the patient's mental health record may only be disclosed as follows:

- (1) To individuals who meet the following conditions:
 - (A) Are employed by:
 - (i) the provider at the same facility or agency;
 - (ii) a managed care provider (as defined in IC 12-7-2-127(b)); or
 - (iii) a health care provider or mental health care provider, if the mental health records are needed to provide health care or mental health services to the patient.
 - (B) Are involved in the planning, provision, and monitoring of services.
- (2) To the extent necessary to obtain payment for services rendered or other benefits to which the patient may be entitled, as provided in IC 16-39-5-3.
- (3) To the patient's court appointed counsel and to the Indiana protection and advocacy services commission.
- (4) For research conducted in accordance with IC 16-39-5-3 and the rules of the division of **addiction and mental health services**, the rules of the division of disability, aging, and rehabilitative services, or the rules of the provider.
- (5) To the division of **addiction and mental health services** for the purpose of data collection, research, and monitoring managed care providers (as defined in IC 12-7-2-127(b)) who are operating under a contract with the division of **addiction and mental health**



C
O
P
Y

services.

(6) To the extent necessary to make reports or give testimony required by the statutes pertaining to admissions, transfers, discharges, and guardianship proceedings.

(7) To a law enforcement agency if any of the following conditions are met:

(A) A patient escapes from a facility to which the patient is committed under IC 12-26.

(B) The superintendent of the facility determines that failure to provide the information may result in bodily harm to the patient or another individual.

(C) A patient commits or threatens to commit a crime on facility premises or against facility personnel.

(D) A patient is in the custody of a law enforcement officer or agency for any reason and:

(i) the information to be released is limited to medications currently prescribed for the patient or to the patient's history of adverse medication reactions; and

(ii) the provider determines that the release of the medication information will assist in protecting the health, safety, or welfare of the patient.

Mental health records released under this clause must be maintained in confidence by the law enforcement agency receiving them.

(8) To a coroner or medical examiner, in the performance of the individual's duties.

(9) To a school in which the patient is enrolled if the superintendent of the facility determines that the information will assist the school in meeting educational needs of a person with a disability under 20 U.S.C. 1400 et seq.

(10) To the extent necessary to satisfy reporting requirements under the following statutes:

(A) IC 12-10-3-10.

(B) IC 12-17-2-16.

(C) IC 12-24-17-5.

(D) IC 16-41-2-3.

(E) IC 31-33-5-4.

(F) IC 34-30-16-2.

(G) IC 35-46-1-13.

(11) To the extent necessary to satisfy release of information requirements under the following statutes:

(A) IC 12-24-11-2.

C
O
P
Y



(B) IC 12-24-12-3, IC 12-24-12-4, and IC 12-24-12-6.

(C) IC 12-26-11.

(12) To another health care provider in a health care emergency.

(13) For legitimate business purposes as described in IC 16-39-5-3.

(14) Under a court order under IC 16-39-3.

(15) With respect to records from a mental health or developmental disability facility, to the United States Secret Service if the following conditions are met:

(A) The request does not apply to alcohol or drug abuse records described in 42 U.S.C. 290dd-2 unless authorized by a court order under 42 U.S.C. 290dd-2(b)(2)(c).

(B) The request relates to the United States Secret Service's protective responsibility and investigative authority under 18 U.S.C. 3056, 18 U.S.C. 871, or 18 U.S.C. 879.

(C) The request specifies an individual patient.

(D) The director or superintendent of the facility determines that disclosure of the mental health record may be necessary to protect a person under the protection of the United States Secret Service from serious bodily injury or death.

(E) The United States Secret Service agrees to only use the mental health record information for investigative purposes and not disclose the information publicly.

(F) The mental health record information disclosed to the United States Secret Service includes only:

- (i) the patient's name, age, and address;
- (ii) the date of the patient's admission to or discharge from the facility; and
- (iii) any information that indicates whether or not the patient has a history of violence or presents a danger to the person under protection.

(b) After information is disclosed under subsection (a)(15) and if the patient is evaluated to be dangerous, the records shall be interpreted in consultation with a licensed mental health professional on the staff of the United States Secret Service.

(c) A person who discloses information under subsection (a)(7) or (a)(15) in good faith is immune from civil and criminal liability.

SECTION 82. IC 16-42-20-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. The addiction services bureau of the division of **addiction and** mental health **services** shall carry out educational programs designed to prevent and deter misuse and abuse of controlled substances. In connection with these

C
O
P
Y



programs, the bureau may do the following:

- (1) Promote better recognition of the problems of misuse and abuse of controlled substances within the regulated industry and among interested groups and organizations.
- (2) Assist the regulated industry and interested groups and organizations in contributing to the reduction of misuse and abuse of controlled substances.
- (3) Consult with interested groups and organizations to aid the groups and organizations in solving administrative and organizational problems.
- (4) Evaluate procedures, projects, techniques, and controls conducted or proposed as part of educational programs on misuse and abuse of controlled substances.
- (5) Disseminate the results of research on misuse and abuse of controlled substances to promote a better public understanding of what problems exist and what can be done to combat the problems.
- (6) Assist in the education and training of state and local law enforcement officials in efforts to control misuse and abuse of controlled substances.

SECTION 83. IC 16-42-20-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 9. The addiction services bureau of the division of **addiction and** mental health **services** shall encourage research on misuse and abuse of controlled substances. In connection with the research and in furtherance of the enforcement of laws relating to controlled substances, the bureau may do the following:

- (1) Establish methods to assess accurately the effects of controlled substances and identify and characterize those with potential for abuse.
- (2) Make studies and undertake programs of research to do the following:
 - (A) Develop new or improved approaches, techniques, systems, equipment, and devices to strengthen the enforcement of laws relating to controlled substances.
 - (B) Determine patterns of misuse and abuse of controlled substances and the social effects of such behavior.
 - (C) Improve methods for preventing, predicting, understanding, and dealing with the misuse and abuse of controlled substances.
- (3) Enter into contracts with public agencies, institutions of higher education, and private organizations or individuals for the



C
o
p
y

purpose of conducting research, demonstrations, or special projects that bear directly on misuse and abuse of controlled substances.

SECTION 84. IC 16-42-20-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. The addiction services bureau of the division of **addiction and mental health services** may enter into contracts for educational and research activities without performance bonds.

SECTION 85. IC 16-46-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) The council consists of the following seventeen (17) members:

- (1) Two (2) members of the house of representatives from different political parties appointed by the speaker of the house of representatives.
- (2) Two (2) members of the senate from different political parties appointed by the president pro tempore of the senate.
- (3) The governor or the governor's designee.
- (4) The state health commissioner or the commissioner's designee.
- (5) The director of the division of family and children or the director's designee.
- (6) The superintendent of public instruction or the superintendent's designee.
- (7) The director of the division of **addiction and mental health services** or the director's designee.
- (8) The commissioner of the department of correction or the commissioner's designee.
- (9) The director of the division of disability, aging, and rehabilitative services or the director's designee.
- (10) One (1) representative of a public health care facility appointed by the governor.
- (11) One (1) licensed physician appointed by the governor who has knowledge and experience in the special health needs of minorities.
- (12) One (1) psychologist appointed by the governor who:
 - (A) is licensed to practice psychology in Indiana; and
 - (B) has knowledge and experience in the special health needs of minorities.
- (13) Three (3) members appointed by the governor, who represent statewide organizations concerned with the health, economic, social, or educational needs of minorities. However, at least one (1) of the members must be a member of the Indiana minority



health coalition.

(b) At least fifty percent (50%) of the members of the council must be minorities.

SECTION 86. IC 20-1-1.8-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 13. (a) The step ahead statewide panel is established to implement the step ahead program.

(b) The panel consists of the following members:

(1) Six (6) members who:

(A) shall be appointed by and serve at the pleasure of the governor; and

(B) are selected from representatives of the following state agencies:

(i) Division of **addiction and** mental health **services**.

(ii) State department of health.

(iii) Division of children and family services.

(iv) Budget agency.

(v) Division of aging and rehabilitative services.

(vi) Department of education.

(vii) Executive staff of the lieutenant governor with knowledge in the area of employment and training programs.

(viii) Executive staff of the governor.

(2) Five (5) members who:

(A) shall be appointed by and serve at the pleasure of the governor;

(B) are representative of the private sector; and

(C) are knowledgeable in the field of early childhood development.

(3) Four (4) members who:

(A) shall be appointed by and serve at the pleasure of the state superintendent of public instruction; and

(B) are knowledgeable in early childhood education.

(c) The chairman of the panel shall be appointed by the governor from outside of the membership of the panel as described in subsection

(b). The chairman serves at the pleasure of the governor.

SECTION 87. IC 20-1-6-2.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2.1. (a) There is created under the Indiana state board of education a division of special education, which shall exercise all the power and duties set out in this chapter. The governor shall appoint, upon the recommendation of the state superintendent of public instruction, a director of special education who serves at the pleasure of the governor. The amount of

C
O
P
Y



compensation of the director shall be fixed by the budget agency with the approval of the governor. The duties of the director are as follows:

- (1) To have general supervision of all programs, classes, and schools, including those conducted by the public schools, the department of correction, the state department of health, the division of disability, aging, and rehabilitative services, and the division of **addiction and mental health services**, for children with disabilities and to coordinate the work of these schools. In addition, relative to programs for preschool children with disabilities as required under section 14.1 of this chapter, the director has general supervision over programs, classes, and schools, including those conducted by the schools or other state or local service providers as contracted for under section 14.1 of this chapter. However, general supervision does not include the determination of admission standards for the state departments, boards, or agencies authorized to provide programs or classes under this chapter.
- (2) To adopt, with the approval of the Indiana state board of education, rules governing the curriculum and instruction, including licensing of personnel in the field of education, as provided by law.
- (3) To inspect and rate all schools, programs, or classes for children with disabilities to maintain proper standards of personnel, equipment, and supplies.
- (4) With the consent of the state superintendent of public instruction and the budget agency, to appoint and fix salaries for any assistants and other personnel needed to enable the director to accomplish the duties of the director's office.
- (5) To adopt, with the approval of the Indiana state board of education, the following:
 - (A) Rules governing the identification and evaluation of children with disabilities and their placement under an individualized education program in a special education program.
 - (B) Rules protecting the rights of a child with a disability and the parents of the child with a disability in the identification, evaluation, and placement process.
- (6) To make recommendations to the Indiana state board of education concerning standards and case load ranges for related services to assist each teacher in meeting the individual needs of each child according to that child's individualized education program. The recommendations may include the following:

C
o
p
y



- (A) The number of teacher aides recommended for each exceptionality included within the class size ranges.
- (B) The role of the teacher aide.
- (C) Minimum training recommendations for teacher aides and recommended procedures for the supervision of teacher aides.
- (7) To cooperate with the interagency coordinating council established under IC 12-17-15 to ensure that the preschool special education programs required under section 14.1 of this chapter are consistent with the early intervention services program described in IC 12-17-15.

(b) The director or the Indiana state board of education may exercise authority over vocational programs for children with disabilities through a letter of agreement with the department of workforce development.

SECTION 88. IC 20-1-6-15.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 15.1. (a) For the purposes of this section, "comprehensive plan" means a plan for educating all children with disabilities that a school corporation is required to educate under sections 14 through 14.1 of this chapter, and those additional children with disabilities that it elects to educate.

(b) The Indiana state board of education shall adopt rules under IC 4-22-2 detailing the contents of the comprehensive plan. Each school corporation shall complete and submit to the state superintendent of public instruction a comprehensive plan. School corporations operating cooperative or joint special education services may submit a single comprehensive plan. In addition, if a school corporation enters into a contractual agreement as permitted under section 14.1 of this chapter, the school corporation shall collaborate with the service provider in formulating the comprehensive plan.

(c) Notwithstanding the age limits set out in section 1 of this chapter, the Indiana state board of education may conduct a program for the early identification of children with disabilities, between the ages of birth and twenty-one (21), not served by the public schools or through a contractual agreement under section 14.1 of this chapter, and may utilize agencies that serve children with disabilities other than the public schools.

(d) The Indiana state board of education shall adopt rules under IC 4-22-2 requiring the department of correction, the state department of health, the division of disability, aging, and rehabilitative services, and the division of **addiction and mental health services** to submit to the superintendent of public instruction a plan for the provision of special education for children in programs administered by each

C
o
p
y



respective agency who are entitled to a special education.

(e) The superintendent of public instruction shall furnish professional consultant services to the school corporations, the department of correction, the state department of health, the division of disability, aging, and rehabilitative services, and the division of **addiction and mental health services** to aid them in fulfilling the requirements of this section.

SECTION 89. IC 20-1-6-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 16. (a) The superintendent shall appoint a state advisory council on the education of children with disabilities whose duties shall consist of providing policy guidance concerning special education and related services for children with disabilities. The superintendent shall appoint at least seventeen (17) members who shall serve for a period of four (4) years. Vacancies shall be filled in like manner for the unexpired balance of the term.

(b) The members must be citizens of Indiana who are representative of the state's population and selected on the basis of their involvement in or concern with the education of children with disabilities. A majority of the members must be individuals with disabilities or the parents of children with disabilities. Members must include the following:

- (1) Parents of children with disabilities.
- (2) Individuals with disabilities.
- (3) Teachers.
- (4) Representatives of higher education institutions that prepare special education and related services personnel.
- (5) State and local education officials.
- (6) Administrators of programs for children with disabilities.
- (7) Representatives of state agencies involved in the financing or delivery of related services to children with disabilities, including the following:
 - (A) The commissioner of the state department of health or the commissioner's designee.
 - (B) The director of the division of disability, aging, and rehabilitative services or the director's designee.
 - (C) The director of the division of **addiction and mental health services** or the director's designee.
 - (D) The director of the division of family and children or the director's designee.
- (8) Representatives of nonpublic schools and freeway schools.
- (9) One (1) or more representatives of vocational, community, or



C
O
P
Y

business organizations concerned with the provision of transitional services to children with disabilities.

(10) Representatives of the department of correction.

(c) The responsibilities of the state advisory council are as follows:

(1) To advise the superintendent and the board regarding all rules pertaining to children with disabilities.

(2) To recommend approval or rejection of completed comprehensive plans submitted by school corporations acting individually or on a joint school services program basis with other corporations.

(3) To advise the department of unmet needs within the state in the education of children with disabilities.

(4) To provide public comment on rules proposed by the board regarding the education of children with disabilities.

(5) To advise the department in developing evaluations and reporting data to the United States Secretary of Education under 20 U.S.C. 1418.

(6) To advise the department in developing corrective action plans to address findings identified in federal monitoring reports under 20 U.S.C. 1400 et seq.

(7) To advise the department in developing and implementing policies related to the coordination of services for children with disabilities.

(d) The council shall organize with a chairperson selected by the superintendent and meet as often as necessary to conduct the council's business at the call of the chairperson upon ten (10) days written notice but not less than four (4) times a year. Members of the council shall be entitled to reasonable amounts for expenses necessarily incurred in the performance of their duties.

(e) The superintendent shall designate the director to act as executive secretary of the council and shall furnish all professional and clerical assistance necessary for the performance of its powers and duties.

(f) The affirmative votes of a majority of the members appointed to the council are required for the council to take action.

SECTION 90. IC 20-1-6-18.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 18.2. (a) The Indiana state board of education shall adopt rules under IC 4-22-2 which establish limitations on the amount of transportation which may be provided in the student's individualized education program. Unless otherwise specially shown to be essential by the child's individualized education program, in case of residency in a public or private facility,



C
o
p
y

these rules shall limit the transportation required by the student's individualized education program to his first entrance and final departure each school year plus round trip transportation each school holiday period and two (2) additional round trips each school year.

(b) Whenever a student is a transfer student receiving special education in a public school, the state or school corporation responsible for the payment of transfer tuition under IC 20-8.1-6.1-1 shall bear the cost of transportation required by the student's individualized education program. However, if a transfer student was counted as an eligible student for purposes of a distribution in a calendar year under IC 21-3-3.1, the transportation costs that the transferee school may charge for a school year ending in the calendar year shall be reduced by the sum of the following:

(1) The quotient of the amount of money that the transferee school is eligible to receive under IC 21-3-3.1-2.1 for the calendar year in which the school year ends divided by the number of eligible students for the transferee school for the calendar year (as determined under IC 21-3-3.1-2.1).

(2) The amount of money that the transferee school is eligible to receive under IC 21-3-3.1-4 for the calendar year in which the school year ends for the transportation of the transfer student during the school year.

(c) Whenever a student receives a special education in a facility operated by the state department of health, the division of disability, aging, and rehabilitative services, or the division of **addiction and mental health services**, the school corporation in which the student has legal settlement shall bear the cost of transportation required by the student's individualized education program. However, if the student's legal settlement cannot be ascertained, the Indiana state board of education shall bear the cost of transportation required by the student's individualized education program.

(d) Whenever a student is placed in a private facility under section 19 of this chapter in order to receive a special education because the student's school corporation cannot provide an appropriate special education program, the school corporation in which the student has legal settlement shall bear the cost of transportation required by the student's individualized education program. However, if the student's legal settlement cannot be ascertained, the Indiana state board of education shall bear the cost of transportation required by the student's individualized education program.

SECTION 91. IC 20-1-6.1-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 13. (a) The



C
O
P
Y

rehabilitation services bureau, the bureau providing services to individuals who are developmentally disabled, and the division of **addiction and mental health services** shall provide each school corporation with written material describing the ongoing adult services available to students with disabilities and the procedures to be used to access those services.

(b) The material shall be provided in sufficient numbers to allow each student and, if the student's family is involved, each student's family to receive a copy at the annual case review described in section 8 of this chapter or as authorized under section 12 of this chapter.

SECTION 92. IC 20-8.1-6.1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) A student who is placed in a state licensed private or public health care facility, child care facility, or foster family home:

- (1) by or with the consent of the division of family and children;
- (2) by a court order; or
- (3) by a child-placing agency licensed by the division of family and children;

may attend school in the school corporation in which the home or facility is located. If the school corporation in which the home or facility is located is not the school corporation in which the student has legal settlement, the school corporation in which the student has legal settlement shall pay the transfer tuition of the student.

(b) A student who is placed in a state licensed private or public health care or child care facility by a parent or guardian may attend school in the school corporation in which the facility is located if:

- (1) the placement is necessary for the student's physical or emotional health and well-being; and
- (2) the placement is for no less than four (4) weeks.

The school corporation in which the student has legal settlement shall pay the transfer tuition of the student. The parent or guardian of the student shall notify the school corporation in which the facility is located and the school corporation of the student's legal settlement, if identifiable, of the placement. No later than thirty (30) days after this notice, the school corporation of legal settlement shall either pay the transfer tuition of the transferred student or appeal the payment by notice to the department of education. The acceptance or notice of appeal by the school corporation shall be given by certified mail to the parent or guardian of the student and any affected school corporation. In the case of a student who is not identified as disabled under IC 20-1-6, the Indiana state board of education shall make a determination on transfer tuition in accordance with the procedures set



C
o
p
y

out in section 10 of this chapter. In the case of a student who has been identified as disabled under IC 20-1-6, the determination on transfer tuition shall be made in accordance with this subsection and the procedures adopted by the Indiana state board of education under IC 20-1-6-2.1(a)(5).

(c) A student who is placed in:

- (1) an institution operated by the division of disability, aging, and rehabilitative services or the division of **addiction and mental health services**; or
- (2) an institution, a public or private facility, a home, a group home, or an alternative family setting by the division of disability, aging, and rehabilitative services or the division of **addiction and mental health services**;

may attend school in the school corporation in which the institution is located. The state shall pay the transfer tuition of the student, unless another entity is required to pay the transfer tuition as a result of a placement described in subsection (a) or (b) or another state is obligated to pay the transfer tuition.

SECTION 93. IC 22-3-2-2.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2.3. (a) As used in this section, "volunteer worker" means a person who:

- (1) performs services:
 - (A) for a state institution (as defined in IC 12-7-2-184); and
 - (B) for which the person does not receive compensation of any nature; and
- (2) has been approved and accepted as a volunteer worker by the director of:
 - (A) the division of disability, aging, and rehabilitative services; or
 - (B) the division of **addiction and mental health services**.

(b) Services of any nature performed by a volunteer worker for a state institution (as defined in IC 12-7-2-184) are governmental services. A volunteer worker is subject to the medical benefits described under IC 22-3-2 through IC 22-3-6. However, a volunteer worker is not under IC 22-3-2 through IC 22-3-6.

SECTION 94. IC 25-23.6-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) This article may not be construed to limit the marriage and family therapy services performed by a person who does not use a title specified in this article and who is one (1) of the following:

- (1) A licensed or certified health care professional acting within the scope of the person's license or certificate.



C
O
P
Y

(2) A student, an intern, or a trainee pursuing a course of study in medicine or psychology or a course of study to gain licensure under this article in an accredited institution of higher education or training institution, or is a graduate accumulating experience required for licensure if:

(A) the activities are performed under qualified supervision and constitute a part of the person's supervised course of study or other level of supervision; and

(B) the student or graduate uses a title that contains the term "intern" or "trainee";

(3) Not a resident of Indiana if the person performed services in Indiana for not more than five (5) days in any one (1) month and not more than fifteen (15) days in any one (1) calendar year and the person is authorized to perform such services under the laws of the state or country in which the person resides.

(4) A rabbi, priest, Christian Science practitioner, minister, or other member of the clergy.

(5) An employee of or a volunteer for a nonprofit corporation or an organization performing charitable, religious, or educational functions, providing pastoral counseling or other assistance.

(6) A person who provides school counseling or a person who is certified by a state or national organization that is recognized by the Indiana division of **addiction and mental health services** and who provides counseling in the areas of alcohol or drug abuse addictions.

(b) Nothing in this section prohibits a person referred to in subsection (a) from qualifying for licensure under this article.

SECTION 95. IC 25-23.6-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. A person who is not licensed under this article may use the title "social service designee" if the person:

(1) provides or assures provision of social services in:

(A) a health facility licensed under IC 16-28;

(B) a hospital licensed under IC 16-21 or IC 12-25;

(C) a substance abuse facility certified by the division of **addiction and mental health services**;

(D) a home health agency licensed under IC 16-27-1; or

(E) a community health center; and

(2) does not profess to be:

(A) a licensed social worker; or

(B) licensed under this article.

SECTION 96. IC 25-23.6-4.5-2 IS AMENDED TO READ AS



C
o
p
y

FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) This article may not be construed to limit the mental health counseling services performed by a person who does not use a title specified in this article and who is one (1) of the following:

(1) A licensed or certified health care professional acting within the scope of the person's license or certificate.

(2) A student, an intern, or a trainee pursuing a course of study in medicine, psychology, or a course of study to gain licensure under this article in an accredited institution of higher education or training institution, or is a graduate accumulating experience required for licensure if:

(A) the services are performed under qualified supervision and constitute a part of the person's supervised course of study or other level of supervision; and

(B) the student or graduate uses a title that contains the term "intern" or "trainee".

(3) Not a resident of Indiana if the person performed the services in Indiana for not more than five (5) days in any one (1) month or fifteen (15) days within any one (1) calendar year and the person is authorized to perform such services under the laws of the state or country in which the person resides.

(4) A rabbi, priest, Christian Science practitioner, minister, or other member of the clergy.

(5) An employee or a volunteer for a nonprofit corporation or an organization performing charitable, religious, or educational functions, providing pastoral counseling, or providing other assistance.

(6) A person who provides school counseling or a person who is certified by a state or national organization that is recognized by the Indiana division of **addiction and mental health services** and who provides counseling in the areas of alcohol or drug abuse addictions.

(b) Nothing in this section prohibits a person referred to in subsection (a) from qualifying for licensure under this article.

SECTION 97. IC 27-8-5-15.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 15.5. (a) As used in this section:

"Alcohol abuse" has the meaning set forth in IC 12-7-2-10.

"Community mental health center" has the meaning set forth in IC 12-7-2-38 and IC 12-7-2-39.

"Division of **addiction and mental health services**" refers to the division created under IC 12-21-1-1.



C
O
P
Y

"Drug abuse" has the meaning set forth in IC 12-7-2-72.

"Inpatient services" means services that require the beneficiary of the services to remain overnight in the facility in which the services are offered.

"Mental illness" has the meaning set forth in IC 12-7-2-130(1).

"Psychiatric hospital" has the meaning set forth in IC 12-7-2-151.

"State department of health" refers to the department established under IC 16-19-1-1.

"Substance abuse" means drug abuse or alcohol abuse.

(b) An insurance policy that provides coverage for inpatient services for the treatment of:

- (1) mental illness;
- (2) substance abuse; or
- (3) both mental illness and substance abuse;

may not exclude coverage for inpatient services for the treatment of mental illness or substance abuse that are provided by a community mental health center or by any psychiatric hospital licensed by the state department of health or the division of **addiction and mental health services** to offer those services.

SECTION 98. IC 29-3-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. The chief of social services (or a person designated by the chief of social services) at any institution under the control of the division of **addiction and mental health services** or the division of disability, aging, and rehabilitative services may execute the necessary documents to make applications on behalf of a patient in the institution to receive public assistance or to transfer the patient to an alternate care facility without the appointment of a guardian or other order of court.

SECTION 99. IC 31-38-2-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. The division of family and children shall:

- (1) provide information to:
 - (A) each referring agency;
 - (B) the division of **addiction and mental health services**; and
 - (C) the department of education;
 concerning their duties and responsibilities under this chapter;
- (2) organize local, regional, or statewide meetings necessary to prepare referring and member agencies for participation on a local coordinating committee;
- (3) develop guidelines for local coordinating committees concerning the form and content of reports submitted to the division of family and children under this chapter;



C
O
P
Y

(4) monitor and evaluate the performance of local coordinating committees; and

(5) make recommendations to the general assembly concerning the need for and availability of services for children in Indiana.

SECTION 100. IC 34-30-2-47.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 47.3. IC 12-23-12-2 (Concerning the division of **addiction and** mental health **services** or its agents for exercise of discretion regarding notification or consent when a minor seeks voluntary addiction treatment).

SECTION 101. IC 35-36-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. (a) Except as provided by subsection (e), whenever a defendant is found guilty but mentally ill at the time of the crime or enters a plea to that effect that is accepted by the court, the court shall sentence the defendant in the same manner as a defendant found guilty of the offense.

(b) Before sentencing the defendant under subsection (a), the court shall require the defendant to be evaluated by a physician licensed under IC 25-22.5 who practices psychiatric medicine, a licensed psychologist, or a community mental health center (as defined in IC 12-7-2-38). However, the court may waive this requirement if the defendant was evaluated by a physician licensed under IC 25-22.5 who practices psychiatric medicine, a licensed psychologist, or a community mental health center and the evaluation is contained in the record of the defendant's trial or plea agreement hearing.

(c) If a defendant who is found guilty but mentally ill at the time of the crime is committed to the department of correction, the defendant shall be further evaluated and then treated in such a manner as is psychiatrically indicated for the defendant's mental illness. Treatment may be provided by:

- (1) the department of correction; or
- (2) the division of **addiction and** mental health **services** after transfer under IC 11-10-4.

(d) If a defendant who is found guilty but mentally ill at the time of the crime is placed on probation, the court may, in accordance with IC 35-38-2-2.3, require that the defendant undergo treatment.

(e) As used in this subsection, "mentally retarded individual" has the meaning set forth in IC 35-36-9-2. If a court determines under IC 35-36-9 that a defendant who is charged with a murder for which the state seeks a death sentence is a mentally retarded individual, the court shall sentence the defendant under IC 35-50-2-3(a).

SECTION 102. IC 35-36-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1. (a) If at any time

C
O
P
Y



before the final submission of any criminal case to the court or the jury trying the case, the court has reasonable grounds for believing that the defendant lacks the ability to understand the proceedings and assist in the preparation of his defense, the court shall immediately fix a time for a hearing to determine whether the defendant has that ability. The court shall appoint two (2) or three (3) competent, disinterested psychiatrists, psychologists endorsed by the Indiana state board of examiners in psychology as health service providers in psychology, or physicians, at least one (1) of whom must be a psychiatrist, who shall examine the defendant and testify at the hearing as to whether the defendant can understand the proceedings and assist in the preparation of the defendant's defense.

(b) At the hearing, other evidence relevant to whether the defendant has the ability to understand the proceedings and assist in the preparation of the defendant's defense may be introduced. If the court finds that the defendant has the ability to understand the proceedings and assist in the preparation of the defendant's defense, the trial shall proceed. If the court finds that the defendant lacks this ability, it shall delay or continue the trial and order the defendant committed to the division of **addiction and mental health services**, to be confined by the division in an appropriate psychiatric institution.

SECTION 103. IC 35-36-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. Whenever the defendant attains the ability to understand the proceedings and assist in the preparation of the defendant's defense, the division of **addiction and mental health services**, through the superintendent of the appropriate psychiatric institution, shall certify that fact to the proper court, which shall enter an order directing the sheriff to return the defendant. The court may enter such an order immediately after being sufficiently advised of the defendant's attainment of the ability to understand the proceedings and assist in the preparation of the defendant's defense. Upon the return to court of any defendant committed under section 1 of this chapter, the court shall hold the trial as if no delay or postponement had occurred.

SECTION 104. IC 35-36-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. Within ninety (90) days after a defendant's admittance to a psychiatric institution, the superintendent of the psychiatric institution shall certify to the proper court whether the defendant has a substantial probability of attaining the ability to understand the proceedings and assist in the preparation of the defendant's defense within the foreseeable future. If a substantial probability does not exist, the division of **addiction and mental health**



C
O
P
Y

services shall initiate regular commitment proceedings under IC 12-26. If a substantial probability does exist, the division of **addiction and mental health services** shall retain the defendant:

- (1) until the defendant attains the ability to understand the proceedings and assist in the preparation of the defendant's defense and is returned to the proper court for trial; or
- (2) for six (6) months from the date of the defendant's admittance; whichever first occurs.

SECTION 105. IC 35-36-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. If a defendant who was found under section 3 of this chapter to have had a substantial probability of attaining the ability to understand the proceedings and assist in the preparation of the defendant's defense has not attained that ability within six (6) months after the date of the defendant's admittance to a psychiatric institution, the division of **addiction and mental health services** shall institute regular commitment proceedings under IC 12-26.

SECTION 106. IC 35-47-2.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 7. (a) The state police department shall provide its response to a requesting dealer under section 6 of this chapter during the dealer's call, or by return call without delay.

(b) If a criminal history check indicates that a prospective purchaser or transferee has a disqualifying criminal record or has been acquitted by reason of insanity and committed to the custody of the division of **addiction and mental health services**, the state police department has until the end of the next business day of the state police department to advise the dealer that the records indicate the buyer or transferee is prohibited from possessing or transporting a firearm by state or federal law.

(c) If a dealer:

- (1) is not advised of a prohibition before the end of the next business day of the state police department; and
 - (2) has fulfilled the requirements of section 4 of this chapter;
- the dealer may immediately complete the sale or transfer and may not be considered in violation of this chapter with respect to the sale or transfer.

(d) In case of electronic failure or other circumstances beyond the control of the state police department, the dealer shall be advised immediately of the reason for the delay and be given an estimate of the length of the delay. However, after a notification under this subsection, the state police department shall inform the requesting dealer whether

C
o
p
y



state police department records indicate the buyer or transferee is prohibited from possessing or transporting a firearm by state or federal law not later than:

- (1) the end of the next business day of the state police department following correction of the problem that caused the delay; or
- (2) three (3) business days of the state police department;

whichever is earlier.

(e) A dealer that fulfills the requirements of section 4 of this chapter and is told by the state police department that a response will not be available under subsection (d) may immediately complete the sale or transfer and may not be considered in violation of this chapter with respect to the sale or transfer.

SECTION 107. [EFFECTIVE JULY 1, 1999] (a) After June 30, 1999, a reference to the division of mental health in any statute or rule is considered a reference to the division of addiction and mental health services.

(b) After June 30, 1999, all property, assets, and liabilities of the division of mental health are property, assets, and liabilities of the division of addiction and mental health services."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 260 as printed January 20, 1999.)

BROWN C, Chair

Committee Vote: yeas 13, nays 0.

C
o
p
y



HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 260 be recommitted to a Committee of One, Representative Budak, with specific instructions to amend as follows:

Page 25, between lines 10 and 11, begin a new paragraph and insert:

"SECTION 1. IC 12-7-2-180.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 180.2. "Special needs foster family home", for purposes of IC 12-17.4, means a foster family home:**

- (1) **that provides care for a child who:**
 - (A) **has a mental, physical, or emotional disability; and**
 - (B) **will require additional supervision or assistance in behavior management, activities of daily living, or management of medical problems; and**
- (2) **that meets the additional requirements under IC 12-17.4-4-1.7.**

SECTION 2. IC 12-7-2-190.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 190.8. "Therapeutic foster family home", for purposes of IC 12-17.4, means a foster family home:**

- (1) **that provides care to a seriously emotionally disturbed or developmentally disabled child;**
- (2) **in which the child receives treatment in a family home through an integrated array of services supervised and supported by qualified program staff from:**
 - (A) **the office of the secretary of family and social services;**
 - (B) **a managed care provider that contracts with the division of mental health; or**
 - (C) **a licensed child placing agency; and**
- (3) **that meets the additional requirements under IC 12-17.4-4-1.5."**

Page 34, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 44. IC 12-15-8-1 IS AMENDED TO READ AS FOLLOWS[EFFECTIVE JULY 1, 1999]: Sec. 1. Whenever:

- (1) the office pays medical expenses for or on behalf of a person who has been injured or has suffered an illness or a disease as a result of the negligence or act of another person; and
 - (2) the injured or diseased person asserts a claim against the other person for damages resulting from the injury, illness, or disease;
- the office has a lien against the other person, ~~to the extent of in the amount of that~~ paid by the office **to the extent of the other person's**



C
O
P
Y

liability for those medical expenses on any recovery under the claim
 ; . whether by judgment, compromise, or settlement. Whenever the
 existence or extent of liability of the other person for medical
 expenses is disputed in a compromise or settlement of a claim
 against the other person, the lien on any recovery by compromise
 or settlement shall exist only for that portion of the medical
 expenses equal to the portion that the recovery is of the total
 damages."

Page 37, between lines 37 and 38, begin a new paragraph and insert:
 "SECTION 3. IC 12-17.2-3.1 IS ADDED TO THE INDIANA
 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
 [EFFECTIVE JULY 1, 1999]:

**Chapter 3.1. Board for the Coordination of Child Care
 Regulation**

**Sec. 1. (a) The board for the coordination of child care
 regulation is established. The board consists of the following
 members:**

- (1) One (1) employee of the division to be designated by the
 director of the division.**
- (2) One (1) employee of the state department of health to be
 designated by the commissioner of the state department of
 health.**
- (3) The state fire marshal or the state fire marshal's designee.**
- (4) Ten (10) members, not more than five (5) of whom may be
 from the same political party, to be appointed as follows:**
 - (A) One (1) member with child development experience to
 represent the public.**
 - (B) One (1) member to represent operators of foster family
 homes.**
 - (C) Two (2) members to represent operators of child care
 homes.**
 - (D) One (1) member to represent operators of child caring
 institutions.**
 - (E) One (1) member to represent operators of group homes
 and child placing agencies.**
 - (F) One (1) member who is knowledgeable about the
 delivery of child care services to children and who is not an
 owner or operator of a facility, a ministry, or an agency
 that is licensed or registered under this chapter.**
 - (G) Two (2) members to represent operators of child care
 centers.**
 - (H) One (1) member to represent child care ministries.**



(5) Two (2) members of the house of representatives, not more than one (1) of whom is a member of the same political party, to be appointed by and serve at the pleasure of the speaker of the house of representatives.

(6) Two (2) members of the senate, not more than one (1) of whom is a member of the same political party, to be appointed by and serve at the pleasure of the president pro tempore of the senate.

(b) The president pro tempore of the senate shall appoint the board members listed under subsection (a)(4)(A), (a)(4)(B), and (a)(4)(D), and one (1) member each under subsection (a)(4)(C) and (a)(4)(G). The speaker of the house of representatives shall appoint the board members listed under subsection (a)(4)(E), (a)(4)(F), and (a)(4)(H), and one (1) member each under subsection (a)(4)(C) and (a)(4)(G). At least one (1) of the members appointed under this section must have knowledge or expertise, or both, in the area of children with special needs.

(c) The legislative council shall appoint the chairperson of the board from among the board members.

Sec. 2. The terms of the members expire November 1, 2001.

Sec. 3. The board shall elect necessary officers from among the board's members.

Sec. 4. The board shall meet upon the call of the chairperson.

Sec. 5. A majority of the members must be present for the transaction of business.

Sec. 6. The affirmative votes of a majority of the members of the board are required for the board to take action on any measure, including final reports.

Sec. 7. The board may appoint subcommittees of the board's members to receive public testimony, visit facilities, and make recommendations to the full committee.

Sec. 8. The legislative services agency shall provide the personnel necessary to staff the board.

Sec. 9. Each member of the board who is not a member of the general assembly is entitled to reimbursement for traveling and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency. Each member who is not a state employee is entitled to the minimum salary per diem as provided in IC 4-10-11-2.1(b).

Sec. 10. Each member of the board who is a member of the



C
O
P
Y

general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on interim study committees established by the legislative council. Payments made to a member of the general assembly under this section shall be paid from funds appropriated to the legislative council and the legislative services agency for this purpose.

Sec. 11. The board shall study the laws governing the regulation of child care and make recommendations to the general assembly concerning changes in the law the board finds are appropriate. Before November 1 of each year, the board shall submit a written report to the legislative council that identifies the board's recommendations and discusses the status of the board's continuing program of study. The board's program of study under this section must include a study of the following topics:

- (1) The need for changes in the scope and degree of child care regulation established by statute or rule, or both.
- (2) The need to reorganize governmental units involved in the regulation of child care facilities to promote effective and efficient child care regulation, including the form that a needed reorganization should take.
- (3) A method for the completion of a statewide needs assessment to determine the availability and projected need for safe and affordable child care.
- (4) The need for programs to meet the needs of Indiana residents if the board determines that safe and affordable child care facilities are not available and easily accessible to Indiana residents.
- (5) The effect of pending and enacted federal legislation on child care in Indiana and the need for statutory changes to qualify for federal child care grants and to comply with federal child care requirements.

Sec. 12. This chapter expires November 1, 2001."

Page 39, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 4. IC 12-17.4-4-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 1.5.** (a) A person may not operate a therapeutic foster family home without a license issued under this article.

(b) The state or a political subdivision of the state may not operate a therapeutic foster family home without a license issued under this article.



C
o
p
y

(c) The division may only issue a license for a therapeutic foster family home that meets:

- (1) all of the licensing requirements of a foster family home; and
- (2) the additional requirements described in this section.

(d) An applicant for a therapeutic foster family home license must do the following:

- (1) Be licensed as a foster parent under 470 IAC 3-1-1 et seq.
- (2) Participate in thirty (30) hours of pre-service training that includes:
 - (A) twenty (20) hours of pre-service training to be licensed as a foster parent under 470 IAC 3-1-1 et seq.; and
 - (B) ten (10) hours of additional pre-service training in therapeutic foster care.

(e) A person who is issued a license to operate a therapeutic foster family home shall, within one (1) year after meeting the training requirements of subsection (d)(2) and annually thereafter, participate in twenty (20) hours of training that includes:

- (1) ten (10) hours of training as required in order to be licensed as a foster parent under 470 IAC 3-1-1 et seq.; and
- (2) ten (10) hours of additional training in order to be licensed as a therapeutic foster parent under this chapter.

(f) An operator of a therapeutic foster family home may not provide supervision and care in a therapeutic foster family home to more than two (2) foster children at the same time, not including the children for whom the applicant or operator is a parent, stepparent, guardian, custodian, or other relative. The division may grant an exception to this subsection whenever the placement of siblings in the same therapeutic foster family home is desirable or in the best interests of the foster children residing in the home.

SECTION 5. IC 12-17.4-4-1.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1.7. (a) A person may not operate a special needs foster family home without a license issued under this article.

(b) The state or a political subdivision of the state may not operate a special needs foster family home without a license issued under this article.

(c) The division may only issue a license for a special needs foster family home that meets:

- (1) all of the licensing requirements of a foster family home; and



C
O
P
Y

(2) the additional requirements described in this section.

(d) An applicant for a special needs foster family home license must be licensed as a foster parent under 470 IAC 3-1-1 et seq. that includes participating in twenty (20) hours of pre-service training.

(e) A person who is issued a license to operate a special needs foster family home shall, within one (1) year after meeting the training requirements of subsection (d) and annually thereafter, participate in twenty (20) hours of training that includes:

- (1) ten (10) hours of training as required in order to be licensed as a foster parent under 470 IAC 3-1-1 et seq.; and
- (2) ten (10) hours of additional training that includes specialized training to meet the child's specific needs.

(f) An operator of a special needs foster family home may not provide supervision and care as a special needs foster family home if more than:

- (1) eight (8) individuals, each of whom either:
 - (A) is less than eighteen (18) years of age; or
 - (B) is at least eighteen (18) years of age and is receiving care and supervision under an order of a juvenile court; or
- (2) four (4) individuals less than six (6) years of age;

including the children for whom the provider is a parent, stepparent, guardian, custodian, or other relative, receive care and supervision in the home at the same time. Not more than four (4) of the eight (8) individuals described in subdivision (1) may be less than six (6) years of age. The division may grant an exception to this section whenever the division determines that the placement of siblings in the same special needs foster home is desirable.

(g) The division shall consider the specific needs of each special needs foster child whenever the division determines the appropriate number of children to place in the special needs foster home under subsection (f). The division may require a special needs foster family home to provide care and supervision to less than the maximum number of children allowed under subsection (f) upon consideration of the specific needs of a special needs foster child."

Page 72, between lines 17 and 18, begin a new paragraph and insert:

"SECTION 6. [EFFECTIVE JULY 1, 1999] (a) As used in this SECTION, "division" refers to the division of family and children established by IC 12-13-1-1.

(b) As used in this SECTION, "special needs foster child" means a child who:

- (1) is placed in a foster family home by the division of family



C
O
P
Y

and children;

(2) has a mental, a physical, or an emotional disability; and

(3) will require additional supervision or assistance in behavior management, activities of daily living, or management of medical problems.

(c) As used in this SECTION, "therapeutic foster child" means a child who:

(1) is placed in a foster family home by the division of family and children;

(2) is seriously emotionally disturbed or developmentally disabled; and

(3) receives treatment in a foster family home through an integrated array of services supervised and supported by qualified program staff from:

(A) the office of the secretary of family and social services;

(B) a managed care provider that contracts with the division of mental health; or

(C) a licensed child placing agency.

(d) Except as provided in subsection (e), the division may not remove a special needs foster child or a therapeutic foster child from a foster family home in which the child is placed before July 1, 1999, because the foster family home does not meet the requirements for operating a:

(1) therapeutic foster family home under IC 12-17.4-4-1.5, as added by this act; or

(2) special needs foster family home under IC 12-17.4-4-1.7, as added by this act.

(e) The division may remove a special needs foster child or a therapeutic foster child from a foster family home in which the child is placed before July 1, 1999, because the foster family home does not meet the requirements described in subsection (d)(1) or (d)(2) if the division determines that remaining in the foster family home is not in the child's best interest."

Renumber all SECTIONS consecutively.

(Reference is to ESB 260 as printed April 6, 1999.)

BUDAK



COMMITTEE REPORT

Mr. Speaker: Your Committee of One, to which was referred Engrossed Senate Bill 260, begs leave to report that said bill has been amended as directed.

BUDAK

C
o
p
y

